

265292

JPRS 81363

26 July 1982

19980922 094

# Near East/North Africa Report

No. 2588

**FBIS**

**FOREIGN BROADCAST INFORMATION SERVICE**

REPRODUCED BY  
NATIONAL TECHNICAL  
INFORMATION SERVICE  
U.S. DEPARTMENT OF COMMERCE  
SPRINGFIELD, VA. 22161

4  
158  
A08

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

26 July 1982

## NEAR EAST/NORTH AFRICA REPORT

No. 2588

## CONTENTS

## INTERNATIONAL AFFAIRS

- Egyptian, Sudanese Integration Accomplishments Reviewed  
(AL'SHA'B, 25 May 82)..... 1

## INTER-ARAB AFFAIRS

- Palestinian Diaspora in Gulf Region Discussed  
(Eric Rouleau; LE MONDE, various dates)..... 9

## OPEC AFFAIRS

- Saudi Petroleum Minister on Oil Prices, Production  
(AL-DUSTUR, 12 Jul 82)..... 21
- Results of Latest OPEC Conference Assessed  
(Rabah Munir Shaykh-al-Ard; AL-DUSTUR, 31 May 82)..... 25
- OPEC International Development Fund 1981 Report  
(DIE PRESSE, 1 Jul 82)..... 33

## ALGERIA

- Armed Forces Graduation Ceremonies Described  
(EL MOUDJAHID, 22 Jun 82)..... 34

## BAHRAIN

- Industry Minister Describes New Personnel Policies  
(Yusuf Ahmad al-Shirawi Interview; AL-ADWA', 29 May 82)..... 38

## EGYPT

- Senior Economic Commentator Gives Views on Recent Trends  
(Sa'id Sunbul; AKHBAR AL-YAWM, 5 Jun 82)..... 45

Central Bank Deputy Governor Discusses Fiscal, Currency Policies ( 'Ali Najm Interview; AL-SIYASAH, 12 May 82).....	47
Nature of Opposition Press Reviewed (Ahmad Abu-al-Fattuh; AKHBAR AL-YAWM, 5 Jun 82).....	53
Summer Work Opportunities for College Students Discussed (Ahmad Husayn; AL-AHRAM, 26 May 82).....	57
High Dam Lake Fishing Threatened (THE EGYPTIAN GAZETTE, 28 Jun 82).....	59
Briefs	
Appeal to Youth	60
Youth Welfare Centers	60
Traffic in Cairo	61
IRAN	
Exporting Revolution Seen as Continuing Priority (IRAN PRESS SERVICE, 1 Jul 82).....	62
Doubts Expressed Over Tehran's Anti-Soviet Stance (IRAN PRESS SERVICE, 1 Jul 82).....	66
Silence of West on Abuse of Iranian Women Condemned (Niloufar Akbari; IRAN PRESS SERVICE, 24 Jun 82).....	69
Letters Criticize Islamic Republic (IRAN PRESS SERVICE, 1 Jul 82).....	70
Export of Revolution	
Stoning of Women	
Signs of Growing Public Pressure on Mullahs (IRAN PRESS SERVICE, 24 Jun 82).....	72
No Jokes About Revolution, Tabrizis Are Told (IRAN PRESS SERVICE, 24 Jun 82).....	76
Riots Reported in Refugee Camps (IRAN PRESS SERVICE, 24 Jun 82).....	77
UK Allegedly Deporting Iranians to Iran (IRAN PRESS SERVICE, 1 Jul 82).....	79
Shah's Former Opponents Say Conditions Much Worse Under Khomeyni (IRAN PRESS SERVICE, 1 Jul 82).....	82



Tehran Tries To Whip Up Arab Feelings (IRAN PRESS SERVICE, 24 Jun 82).....	84
Lawyers Seek To Appeal to World Public Opinion (IRAN PRESS SERVICE, 1 Jul 82).....	86
Iranians in Diaspora (Teezbin; IRAN PRESS SERVICE, 24 Jun 82).....	87
Briefs Iran-Iraq War	90
IRAQ	
Baghdad Condemns Iran's Continuation of War (Baghdad Radio, 29 Jun 82).....	91
Baghdad Attacks Mullahs' Crimes in Iran (Baghdad International Service).....	93
Commentary Questions Iranian Wish To Fight Israel (Baghdad International Service, 10 Jul 82).....	95
Briefs Damascus ICATU Transfer Urged	97
KUWAIT	
Government Policies for Streamlining Spending Criticized (Ahmad al-Baghdadi; AL-TALI'AH, 5 May 82).....	98
Role, Functions of Kuwait Institute of Technology Described (Yusef Za'balawi; AL-ARABI, Jun 82).....	102
LEBANON	
Lebanese Amal Leader on Israeli Occupation of South (QNA, 12 Jul 82).....	113
Haddad Discusses Administrative Affairs (Sa'd Haddad; Lebanon Voice of Hope, 10 Jul 82).....	114
Litani Said To Be Goal of Israeli Invasion (AL-RIYAD, 16 Jun 82).....	118
Prague TV Interviews Lebanese CP Official (Nadim 'Abd al-Samad Interview; Prague Domestic Television Service, 9 Jul 82).....	122
Material Costs of Invasion Considered (AL-MUSTAQBAL, 26 Jun 82).....	124

## MOROCCO

Relationship of Terrorism to Revolution Discussed (Jean Rous; L'OPINION, 2 Jun 82).....	127
--	-----

## OMAN

Briefs	
Oil Production	129

## PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

Briefs	
PDRY Leader Discusses Lebanon	130
Cuban Health Minister Arrives	130

## SAUD ARABIA

Saudi Daily Questions U.S. Move To Evacuate Palestinians (Editorial; AL-JAZIRAH, 9 Jul 82).....	131
SAMA Report Examines 1980-81 Economic Developments (AL-IQTISAD WA AL-A'MAL, May 82).....	133
Briefs	
U.S.-PLO Dialogue	137
Saudi Fund Activities	137

## SUDAN

New Regional Governors Appointed (SUNA, 20 Jun 82).....	138
Darfur Agricultural, Animal Production Program Discussed (Thurayya Muhammad Ahmad Bakhit; AL-SAHAFAH, 12 May 82).....	140
Briefs	
Livestock Exports	145
Family Statistics	145

## SYRIA

Chamber of Commerce Official Comments on Investment Climate ( 'Abd al-Rahman al-'Attar Interview; AL-IQTISAD WA AL-A'MAL, May 82).....	146
Syrian Paper Calls for More Steadfastness (Damascus Domestic Service, 13 Jul 82).....	149

## TUNISIA

Disturbances in al-Haouareb Examined (AL-RA'Y, 4 Jun 82).....	150
--	-----

## INTERNATIONAL AFFAIRS

### EGYPTIAN, SUDANESE INTEGRATION ACCOMPLISHMENTS REVIEWED

Cairo AL-SHA'B in Arabic No 127, 25 May 82 pp 16-17

[Article: "Integration Between Egypt and Sudan Is Reality and Destiny; Committee Discusses Linking Egyptian-Sudanese Railroads, Linking Sudan With Egypt Via Aswan-Khartoum Highway; River and Maritime Transportation Between Two Fraternal Countries; Communications Between Two Countries Via Artificial Satellites and Scattered-Wave Networks; Establishment of Cairo-Khartoum Liaison and Followup Office"]

[Text] Integration between Egypt and Sudan is a reality and a destiny.

Fraternal Sudan is the biggest Arab country in the area, the richest in water, the most fertile in its soil and the richest with its natural resources. It is enough to know that its good cultivable land is estimated at 400 million feddans, of which only 15 million have been cultivated so far. The cultivation of even a small part of the remaining 385 million feddans means the transformation of Sudan into one of the biggest food baskets in the world, with enough stores to meet the needs of the Arab homeland and of a larger part of the world countries.

Egypt has the manpower and technical expertise.

Therefore, proceeding on the basis of the political action and economic integration program concluded by the Arab Republic of Egypt and the Democratic Republic of Sudan in February 1974 to achieve the utilization of these resources collectively;

In accordance with the decision issued by the Higher Joint Committee in its first meeting in Alexandria in August 1974 concerning the formation of the Transportation and Communications Joint Technical Committee and in implementation of the bylaws of the Joint Higher Committee and of its technical subcommittees;

In implementation of the resolutions and recommendations made by the Higher Joint Committee for Political and Economic Integration in its seventh meeting in Khartoum, the capital, from 12-15 January 1979, the Transportation and Communications Joint Technical Committee held its meeting in Cairo from 8-13 of the current month of May.

## Sudanese Side

The Sudanese side was represented by:

Khalid Hasan 'Abbas, minister of transport and communications.

Kamal 'Umar al-Amin, secretary general for Egyptian affairs.

Shakir 'Abd al-Rahman, chairman of the Executive Council of the Railroad Authority.

'Abbas 'Ali Raji, chairman of the Executive Council and general director of the Telecommunications Agency.

'Abd al-Rahman Hubud, the chairman of the Roads and Bridges Executive Council.

Al-Sunusi al-Rih al-Amin, executive director of the Ministry of Transport and Communications.

Mustafa Ahmad Nuri, director of the Central Province.

Muhammad Isma'il Ahmad, from the Egypt and Sudan Affairs Secretariat.

Kamal Bashir, member of the executive office of the minister of transport.

Hasan Muhammad 'Uthman, member of the executive office of the minister of transport.

## Egyptian Side

The Egyptian side was represented by:

Eng Sulayman Mitawalli Sulayman, minister of transport, communications and maritime transport.

Eng Mahmud Mukhtar Sirri, first undersecretary in the Ministry of Transport and rapporteur of the Joint Transportation and Communications Technical Committee.

Eng Fawzi Farraj Hulwah, secretary general for Sudan affairs.

Eng Ahmad Shawqi, chairman of the Roads and Bridges Authority.

Eng Muhammad Hilmi al-Dib, chairman of the Nile Valley River Transport Authority.

Eng 'Abd al-Hafiz Habib, representative of the Sudan affairs secretariat.

## Topics of Discussion

At this meeting, six issues concerning integration between Egypt and Sudan were discussed, namely:

First, linking Egypt's railroads with Sudan's railroads.

Second, linking Sudan with Egypt via the Aswan-Khartoum highway.

Third, communications between Egypt and Sudan.

Fourth, river transportation between Egypt and Sudan.

Fifth, maritime transportation between Egypt and Sudan.

Sixth, establishment of a liaison office between the two ministries.

#### A 502-Kilometer Long Railroad

These were the subjects of general discussion. A detailed discussion took place between the two sides on each of these topics individually so as to set the best goals for achieving integration. In regard to linking Egyptian railroads with Sudanese railroads, the course of the rail line between the High Dam and Wadi Halfa has been set, with a total length of 502 kilometers and an estimated cost of 300 million Egyptian pounds, of which 100 million are in free currency.

It has become clear that the period needed for construction is 4 years.

It has also become clear that this project requires the Sudanese railroads to begin as of now a plan to develop the capability of the Halfa-'Atbarah line.

Regarding joint cooperation in training, cooperation between the Sudanese side and the Egyptian side has been going on since the inauguration of the Egyptian Railroads Training Center in Warden. At the latest meeting in Cairo between the chairman of the two [Railroad] authorities, a meeting held in November 1981, agreement was reached to train a new batch (140 individuals) of Sudanese railroad workers at the Warden Training Center, at workshops and at the various work sites of the Egyptian railroads.

It was also decided to expand training programs in areas determined by the two sides.

Regarding joint technical cooperation, this type of cooperation between the two authorities has been going on for many years. The latest example of this cooperation was the step taken in November 1981 when it was agreed to loan 27 members of Egyptian railroad personnel specialized in various fields to work with the Sudanese railroads.

It was also decided to supply the Sudanese Railroads Authority's needs from Egyptian products.

#### Linking Sudan With Egypt via Maritime Route [sic]

Regarding the second issue discussed, namely, the issue of linking Sudan with Egypt via the Aswan-Khartoum highway, the nearly 320-kilometer distance between Aswan and Wadi Halfa within Egyptian territory consists of the following four phases:

The first phase, from kilometer 0 in Aswan to kilometer 50: 90 percent of the work involved in this phase has been completed, with a few remaining final touches, to be completed in the second half of this year.

The second phase, from kilometer 50 to kilometer 150: Nearly 20 percent of the work involved in this distance has been completed and work is currently in progress to remove earth for the foundation. It is expected that this phase will be completed by the end of 1983.

Phase three, from kilometer 150 to kilometer 220 at the intersection to the town of Abu Sunbul: All of the preparations needed for the executing company have been completed and the budgets are being prepared prior to the start of implementation during the coming month of June. It is expected that this phase will be completed at the beginning of 1984.

Fourth phase, from kilometer 220 to kilometer 320 near Halfa: All the studies, blueprints, requirements and specifications have been completed. It is expected that an invitation for bids will be announced at the end of 1983, after the paving of the three previous phases has been completed.

As for the distance from Wadi Halfa to Khartoum, nearly 947 kilometers long, all the studies, plans and specifications for the nearly 457-kilometer stretch from Khartoum to Dunqulah have been completed and are ready to be announced in an invitation for general bids as soon as the necessary financing is secured.

The 400-kilometer distance between Dunqulah and Wadi Halfa has been explored initially and it has been agreed to form a joint working team comprised of Sudanese and Egyptian engineers to begin the detailed studies and prepare the specifications and requirements to improve this stretch and prepare it for implementation.

It has also been decided to define the task of the working team for the following:

Set the path of the highway throughout this length.

Study ways to reinforce the soft and loose stretches within this distance and propose ways to deal with such stretches.

Study areas of flood courses and propose technical means for protection against such floods.

Locate sites for service centers, such as fuel, maintenance, rescue and help centers.

It has been agreed that the Sudanese side will make the preparations necessary for the working team, including technical equipment and means of transportation and living, and that the Egyptian engineers will go to Sudan in the final week of next July to begin their work.

## Communications Between Egypt and Sudan

Regarding the third topic of discussion, namely, the issue of communications between Egypt and Sudan, the following nine recommendations were adopted.

The two sides should immediately take the necessary steps to introduce 12 telephone channels via Saudi Arabia before the end of May 1982.

A joint team from the two sides should be formed within a week to work to eliminate breakdowns in the scattered waves station and the ground station in Wadi Halfa to restore the satellite station channels operating between Aswan, Wadi Halfa and Khartoum.

Egyptian and Sudanese technicians should be continually present to operate the Wadi Halfa station as of the beginning of this week.

The dispatch of cable workers should start within a month from now and at least one instructor should be exchanged between the training centers in the two countries, with the instructor's specialization determined according to need.

Specialized operational teams from both countries should be exchanged constantly.

A quantity of small-capacity cables should be secured immediately, either from the cable company or from the authority's warehouses, if available. Agreement should also be reached with al-Ma'sarah factory to speedily secure the telephone equipment needed by the Sudanese side.

The Sudanese side should speed up implementation of the main Port Sudan-Khartoum pivotal cable project to achieve direct communication between the two countries and increase the number of telephone channels.

During the coming month of June, a survey of the Aswan project should be started. It has been agreed to extend the project to 'Atbarah and to unify the technical specifications.

Telex and telegraph circuits with a maximum capacity of 460 channels should be inaugurated with Sudan within 2 weeks, using TDM 46 sets.

## River Transportation

Regarding the fourth topic discussed, namely, the issue of river transportation between Egypt and Sudan, it has become evident that river transportation has been and is still performing the main role in the sphere of transporting passengers, goods and livestock between the two fraternal countries, that the development of this facility's services does not require large appropriations or lengthy time compared with the other means of transportation and that it is better to devote efforts to develop this means of transportation, especially since air transportation fares have been rising.

The development is to be centered on:

1. Improving operation by securing suitable boats and operating them in the best manner possible so as to reduce travel time and increase the number of trips in a manner compatible with the increase in passengers and the volume of goods.
2. Improving services at the ports and providing comfort for passengers and safety for cargo.
3. In compliance with the integration goals, developing the river transportation services between the two fraternal countries requires that river navigation be extended from Wadi Halfa to Khartoum, starting with the stretch between Wadi Halfa and 'Akashah.
4. Encouraging the exchange of training missions between the two countries and securing navigational equipment and spare parts.

To achieve this, the following actions have been taken:

An agreement was signed with the German [FRG] Development Bank on 19 April for the purchase of two passenger boats, each with a capacity of 500 passengers. The first boat will be delivered within 17 months of this date and the second boat will be delivered 3 months after the first.

A pontoon is being constructed by the River Transport Authority in Khartoum to be used as a temporary pier for boats in Wadi Halfa.

The Nile Valley River Transport Authority has inaugurated an additional weekly trip, thus bringing the number of [weekly] trips between the High Dam port and Wadi Halfa to three. The Sudanese Railroad Authority has put into operation a third train to accommodate this trip.

The Nile Valley River Transport Authority has encountered difficulties in the trips between Halfa and 'Akashah because the navigable river course has not been outlined. When this course is outlined, the existing boats, and afterwards the boats to be received later, can be operated on this line.

The High Dam port is currently operating at full capacity. The port is being developed to improve the services it offers passengers, to facilitate their movement within its limits and to deal with the expected increase in passengers and cargo.

The Egyptian River Transport Authority has installed light signals above buoys to guide boats during night navigation, within both the Egyptian and the Sudanese borders. The authority has also completed the construction of a boat built especially to maintain the buoys and towers [lighthouses], to serve the units operating in the lake and to immediately notify ground stations in Aswan or Wadi Halfa of weather and navigational conditions.



## Other Recommendations

The matter has not been confined to these accomplishments. The committee has adopted other recommendations:

1. The Sudanese River Transport Authority should undertake responsibility for building and operating the Wadi Halfa port and should secure the appropriations necessary to implement the port project.

The authority should adopt measures to divert the Sudanese Government's share of the Nile Valley River Transport Authority to the Sudanese River Transport Authority so that it can become the partner representing the Sudanese side in the Nile Valley Authority.

2. Capital of the Nile Valley River Transport Authority should be increased by the sum necessary to build a floating dock needed for maintenance of the boats.

3. The Sudanese and Egyptian sides have agreed to the participation of the private Sudanese-Egyptian sector as a partner in the Nile Valley River Transport Authority, provided that a technical and economic committee is formed of specialists in both countries to lay down the bases for this goal.

4. A special uniform cadre should be formed for the Nile Valley River Transport Authority's workers.

5. The chairmen of the two river transport authorities in Cairo and Khartoum should meet to lay down the bases for studying the navigational course between Wadi Halfa and Khartoum and to determine the implementation priorities, beginning with the line between Wadi Halfa and 'Akashah and then between 'Akashah and Dunqulah, provided that their recommendations are presented by the end of the year.

6. Efforts in the sphere of training and the exchange of expertise between the two countries should be intensified and the administrative and financial measures concerned should be simplified, provided that implementation of the program begins as of August 1982.

7. The River Transport Authority in Cairo should advance every possible assistance to make available data concerning spare parts, materials and equipment manufactured locally in Egypt. This should be done according to the needs of the Sudanese River Transport Authority.

8. It is necessary to exchange visits between specialists on the two sides to follow up on implementation of the recommendations and to solve problems that may slow implementation.

## Maritime Transport

As for the fifth issue discussed by the Joint Transportation and Communications Technical Committee for integration between Egypt and Sudan, namely, the

issue of maritime transport between the two countries, the two sides reviewed the maritime agreement concluded between the two governments on 28 May 1977 and calling for:

- A. The establishment of a joint maritime line between the two countries' ports for the transportation of goods exchanged between the two countries.
- B. Each of the two sides is to render the assistance and backing needed to build and bolster national maritime fleets and to implement programs to enhance and develop the capability of the ports.
- C. Cooperation in training and utilization of the existing treaty.

The two sides have agreed that the chairman of the Sudanese Maritime Lines will visit Cairo before the end of the current month to study the conclusion of a bilateral agreement with the Egyptian Maritime Company and to follow up on the other issues included in the agreement.

It has also been decided to establish contacts between the port authorities of the two countries and to have their technicians exchange visits with the aim of enhancing expansion of the capacities of the ports so that they can absorb the development plans of the two countries.

The final topic on the committee's agenda was that of communications, and it was decided to set up liaison offices between the two ministries in Cairo and Khartoum to follow up implementation in the spheres of cooperation in transportation and communications between the two countries.

8494

CSO: 4504/336

PALESTINIAN DIASPORA IN GULF REGION DISCUSSED

Paris LE MONDE in French 15, 16, 17 Jun 82

[Article by Eric Rouleau]

[15 Jun 82 p 5]

[Text] Hafez Tahboub, attorney general of the Emirate of Sharjah, speaks fluent Hebrew. He is a Palestinian who left Jerusalem "voluntarily" exactly 10 years ago. He says: "The air had become unbreathable." Although he did not engage in any subversive activity, his stands against the occupation regime as a member of the bar association exasperated Israeli authorities. A piece of land belonging to him was confiscated for "security reasons." He was arrested twice. The Shin Beth (the equivalent of the DST [French Directorate of Territorial Surveillance]) called him in on an average of once a week, but usually left him cooling his heels for hours without interrogating him. An attempt was made to turn him into an informer. One day he received a strange invitation: a Shin Beth official who was well known to the Palestinians invited him to join him for tea on a very busy day at the King David, the largest hotel in Jerusalem. There was a double objective: to compromise him in the eyes of his compatriots while at the same time giving him "a final warning." If he did not cease all "agitation," he would be expelled. Sharjah's attorney general explains: "I preferred to leave on my own, because expulsion would have meant that I could never set foot in my country again."

For his part, Ali El Yasir has not been back to his native country since his parents fled Jaffa in 1948--while the Haganah (the Jewish army before independence) was shelling the port with artillery fire--and found a place to stay in a squalid refugee camp in Beirut. A "wandering Palestinian" since the age of 20, as he likes to describe himself, Ali lived successively in the United States--thanks to a scholarship--and then in Lebanon, Jordan, and Saudi Arabia before settling in Abu Dhabi in 1973. There the electrical engineer with degrees from Philadelphia and Princeton Universities became a contractor and soon made a fortune. Now 54 years old, he is contemplating retirement--on a yacht "that would never stop cruising in the Mediterranean as close as possible to the Palestinian coast."

Ahmed Kazem and Mohamed Tawil left in the 1950's, before the Israeli occupation of the West Bank, to escape unemployment. The 1967 War having broken out while

Kazem was working in Gaza (under Egyptian occupation) and Tawil was working in Damascus, they are among the 225,000 West Bank Palestinians being prevented by the Israelis from returning "to Judea and Samaria." Today they are both teachers, one in Qatar and the other in Kuwait.

#### Harmonious Transplantation

In numbers, social makeup, and skills, the Palestinian communities scattered along the Arab coasts of the Gulf are a somewhat unique part of the diaspora. In Saudi Arabia, Kuwait, Qatar, the United Arab Emirates (UAE), or Bahrain, one finds few or no workers and almost none of those indigents who populate the refugee camps in Lebanon, Syria, or Jordan. The countries bordering on Israel granted asylum to all Palestinians without distinction who were fleeing the horrors of war or occupation. The Gulf countries, on the other hand, accepted not refugees but immigrants--a significant distinction--who chose the Gulf Region in order to improve their lot.

The transplantation was accomplished harmoniously, since demand equaled supply. In the early 1950's, when petroleum production was building in momentum, the Gulf sheikhs were looking for technical and administrative cadres capable of building up economic, social, and government structures in their emirates, which were on the threshold of independence. Despite their generous offers of residence permits and high wages, there were few candidates for immigration in the various Arab states at the time. Only the Palestinians, who were suffering difficult economic conditions, especially on the West Bank in Jordan but also in Lebanon and Syria, were willing to leave their countries. They had the required qualifications: they were Arabs, they were educated, many of them spoke English (a valuable asset for countries in the British sphere of influence), and they did not make a lot of demands.

The first wave of emigration consisted chiefly of men only, who left their families on the West Bank or in Gaza, Lebanon, or Syria, and it began 2 or 3 years after the 1948 War. The second and larger wave came after the 1967 conflict. Along with new refugees, it brought the families of those who had taken temporary jobs in the Gulf countries to build up a nest egg before going home to the West Bank or Gaza. Lastly, beginning in 1975, the civil war in Lebanon started a third wave of emigrants with intellectual or material assets enabling them to start their lives over for the second or third time. Those who could afford it took a plane to Abu Dhabi, Dubai, Saudi Arabia, or Qatar or, more rarely, Oman and Bahrain, the latter two being states which had distrusted the Palestinians from the start. Those who were less well off took the land route to Kuwait, where the welcome, notably because of the openmindedness of the princely family, was better than elsewhere.

#### Doctors, Engineers, and Businessmen

The result was that the Palestinian community in Kuwait doubled three times: in 1965, 1970, and 1980. It grew from 37,000 members in 1961 to nearly 300,000 last year--and probably 350,000 if one includes the illegal immigrants. In all, the Arab states on the Gulf currently provide a home for over 600,000 Palestinians, or more than Lebanon and Syria combined--one out of every four in the diaspora (see the table below).

#### A Nation of 4.5 Million

According to the Palestinian Statistical Abstract for 1981, published in Damascus by the PLO's Central Bureau of Statistics, the Palestinians numbered about 4.5 million at the end of last year, distributed as follows:

Israel	550,800
West Bank	833,000
Gaza Strip	451,000 <sup>1</sup>
Jordan (East Bank)	1,148,334
Syria	222,525
Lebanon	358,207
Kuwait	299,710
Iraq	20,604
Libya	23,759
Egypt	45,605 <sup>1</sup>
Saudi Arabia	136,779
United Arab Emirates	36,504 <sup>2</sup>
Qatar	24,233 <sup>3</sup>
Bahrain	2,000
Oman	50,706
United States	104,856
Other countries	140,116

The total of 4,449,138 is below the true figure, since Palestinians living in Arab countries other than those listed here, and probably in the Communist countries as well, were not counted.

1. Not including the population in the El Arish region, which was returned to Egypt last 26 April.
2. According to the PLO representative in Abu Dhabi, who consulted his own records, the emirates actually have about 70,000 Palestinians.
3. Over 30,000, according to the PLO representative in Doha.

But their importance far exceeds their numbers if they are measured by the position they occupy in those young petroleum-producing countries, where the elites are still embryonic. The Palestinians began by occupying posts in government service. Until 1975--the latest year for which exact statistics are available--one out of every two was a civil servant in the United Arab Emirates or Kuwait. In the latter principality at present, it is estimated that one out of every four public sector employees and one out of every three teachers is a Palestinian.

Heavily represented in the region's schools and universities, they are often preponderant in the court system, especially in the United Arab Emirates, where they are said to be the majority among assistant public prosecutors and judges. They are also numerous as reporters in the written and broadcast media and as doctors, engineers, architects, and senior executives in the oil companies and in private firms. According to a 1975 study, one out of every four Palestinians actively employed in Kuwait is in a high-level liberal or scientific profession.<sup>1</sup>

The upper middle class is better represented here than in the other Arab countries, where modest resources, the relative austerity of the "socialist" regimes, or both together present obstacles to the blossoming of private capital. Are there 100 or 300 Palestinian millionaires (in dollars) in the Gulf countries? The high estimates are three times as high as the low estimates. But there can be no doubt that most of the electronics firms belong to them and that their number includes merchants, contractors, bankers, and big businessmen of international caliber.

"They are everywhere--like the Jews," is what the natives and other expatriate Arabs say about them, and one cannot tell at first whether that remark is meant spitefully or not. Their admirers unconsciously practice "racism" in reverse by generalizing the qualities ascribed to the Palestinians: they are said to be intelligent, resourceful, efficient, and endowed with a spirit of initiative that is out of the ordinary. Unfavorable prejudices lead others to depict them as withdrawn, greedy, scheming, arrogant, insolent, and--if their detractor is a traditionalist--inclined toward corruption and Western turpitude.<sup>2</sup>

#### "Religion of Education"

The Palestinians of the diaspora are neither demons nor angels. What has happened is that they have acquired the characteristics of any minority that lives in insecurity, real or imagined. Making oneself indispensable is a way of protecting oneself, we were told by Ghassan Thaboub, a journalist in Sharjah, who added: "Being stateless, we cling to the country that takes us in as though it were a lifebuoy by giving the best of ourselves."

---

1. Philippe Fargues, "Demographic Study of Labor Migrations to the Arab Gulf Countries," CERMOC, Beirut, 1980, p 104.

2. Awny Farsakh, a Palestinian, devoted himself to refuting those slanderous statements one by one in a series of articles published recently in a Dubai newspaper. This leads one to suppose that they are widespread.

The reporter who expresses surprise at the high rate of literacy--the highest in the Arab world--is told repeatedly that "education with us is a religion: an obsession." Another "obsession" shows up in the area of solidarity. Adnan Derbas, for example, whose indigent family once lived in the Borj-Al-Barajneh refugee camp in Beirut, worked at a little of everything from the time he was a teenager to send his seven brothers and sisters through school. Becoming a civil engineer himself, he now heads one of the largest construction companies in Abu Dhabi.

Abdel Mohsen Kattan, an extremely wealthy banker in Kuwait, is financing the construction of two cultural centers at the Bir-Zeit and Najah (Nablus) Universities on the West Bank and offers a scholarship to any Palestinian "whose qualifications would gain him or her admission to the most prestigious universities in the world." About 60 young people meeting that criterion are now studying, at his expense, at universities in the United States, Great Britain, Italy, Yugoslavia, India, and, of course, various Arab countries. Kattan explains: "My father left me nothing except a university degree, which I obtained with his help. Just before he died, he told me it was my most valuable possession because I could take it wherever the vicissitudes of exile led me."

At the start of the "exile" in 1948, between 300 and 400 of the Palestinians had university degrees. Their number is now estimated at over 130,000, a figure proportionately higher than that for Israel or Great Britain and from four to five times higher than the average for the Arab world as a whole.

Whether admired or envied, the Palestinians of the diaspora disturb or worry the Arabs for various reasons. In the Gulf countries, as elsewhere, some governments are trying to restrict their presence and their influence while waiting for them "to go home."

[16 Jun 82 p 7]

[Text] Following several waves of emigration, some 600,000 Palestinians have settled in the various Gulf countries. Many of them occupy positions in the administration and in education. Their influence is preponderant in the mass media, the liberal professions, and business circles. "They are everywhere" is what the natives say about them. (LE MONDE, 15 June.)

"They are anti-Palestinian, they detest us, they have nicknamed our neighborhood Tal-el-Zaatar,\* and someday they will massacre us." The woman talking to us--a young teacher in Kuwait--was giving free rein to her distress at the "hatred" which, according to her, the natives feel toward her compatriots. Was it a reflection of the paranoia felt by minorities? In any case, it is very exceptional. The reporter who tours the various Gulf countries usually hears only praise for the host countries, and it is probably sincere, since

---

\* Name of the Palestinian enclave in Beirut which was besieged and bombarded by the Christian militia from June through August 1976 and which was razed after its surrender. Several thousand Palestinians were killed or wounded.

the benefits of hospitality are so obvious and appreciated by a stateless people. This does not prevent the Palestinians from complaining bitterly about their lot, and their ambivalence is nourished by the discriminatory measures that are applied to foreigners in general and not necessarily against them in particular.

Citizenship, a source of valuable advantages and privileges, is granted very rarely and only to those who can meet stringent requirements. In Kuwait, for example, a candidate for naturalization reportedly must be able to prove that his family lived in the country before 1920 and at least until 1959. The result is that such a "first-class citizen"--the actual words used in the law--cannot, in the nature of things, be a Palestinian emigre. If a Palestinian manages to become a "second-class" citizen by virtue of having lived in Kuwait at least since 1945, he cannot exercise his civil rights until 20 years after his naturalization. The granting of nationality depends in fact on the good pleasure of the prince, who does not bother about criteria when it comes to "rewarding services rendered to the state." Some 40,000 Bedouins from Saudi Arabia, for example, have been "first-class citizens" since 1970 (and also fierce defenders of the established order), just as thousands of Iranians and Iraqis have been "adopted" by the various Gulf countries in recent years. But fewer than 400 of the Palestinians living in the region--including about 250 in Kuwait and exactly 17 in Bahrain--have been raised to that dignity.

#### Tenants for Life

Dignity is the right word, because the discrimination against foreigners--who are the majority in Kuwait, the United Arab Emirates, and Qatar--is multifaceted, often unpleasant, and always alienating. Foreigners are numerous in the civil service, but are excluded from the best-paying jobs no matter how superior their qualifications may be. They do not benefit from interest-free loans or housing subsidies, both of which are available to any native. They cannot acquire property and are thus condemned to rent their apartments or houses for life at prohibitive prices, since rents are free of all controls throughout the Gulf countries except in Kuwait, where owners are entitled to double them every 5 years.

It should be noted that it is considered "normal" here for real estate to be amortized over 2 or 3 years. Wealthy Palestinians in Abu Dhabi, for example, lease land from citizens, build rental units on it at their own expense, and then "return" it to their native partners at the end of 8 years, as the law requires. The native partner then becomes the exclusive owner. No Palestinian or any other foreigner can go into business, own a commercial or industrial company, or speculate in the stock market unless he first takes a citizen as a partner. In most cases, the law requires that the latter be a majority owner of the enterprise, and most often he acquires his shares without paying anything for them. "That is the highest tax in the world," we were told bitterly by one Palestinian industrialist, who pointed out that his partner, who had supplied him with the equivalent of 1,500 francs in 1966, is now in control of a fortune totaling 400 million francs, but has never set foot inside the firm.

There is no exception to the rule: the citizen is served first in every area, including education. A distressing problem faced Palestinians in Kuwait this



spring. They were informed that 13,000 of their children (out of a total of 18,000 applicants) could not be enrolled in the state's primary schools for the next school year due to the lack of space. Since private schools are too expensive, most of the parents did not know what to do.

The same obstacle presents itself at Kuwait University, where for years the authorities have set official quotas: 50 percent of the students admitted must be nationals, 25 percent of the available spaces are reserved for citizens of the other Gulf countries, and the rest go to "miscellaneous Arabs," including Palestinians. The latter, who constitute between 20 and 25 percent of the population, account for only 10 percent of the students in Kuwait. "They would account for 80 percent if admission were based solely on grades received in the baccalaureat examination," said one instructor as an illustration of the dilemma facing Kuwaiti authorities.

#### Closed Doors

The fact remains that despite the financial means at their disposal, the authorities in question curiously refrain from accelerating the development of schools while also refusing to grant to foreigners the scholarships they hand out so generously to citizens wishing to pursue their studies in other countries. In extreme circumstances, Arab residents of other nationalities can apply to their own governments. But that alternative is not open to the Palestinians. The schools established by the PLO in 1967 to make up for the shortcomings of the state system were closed in 1975. This explains the heavy sacrifices made by families in modest circumstances and the active solidarity shown by the more well-to-do members of the community to insure the future of Palestinian young people.

It all seems as if some governments in the Gulf want to induce the Palestinians to seek another haven. Traditionally numerous in the teaching profession, their presence has been gradually reduced in recent years--in absolute terms in Bahrain and as a percentage in the other countries--with their place being taken chiefly by Egyptian immigrants, whose ideological options are reassuring to the sheikhs. In the civil service more generally, preference is shown for Asians, who are less demanding and politically inoffensive, or for Arabs of various nationalities who can be sent home the first time they step out of line.

The era of "compassion" is definitely over. The Gulf countries, which had opened their doors wide to the victims of war and the Israeli occupation at a time when they were short of manpower and cadres, have reached the level of saturation or even entered a recession since the slump in petroleum sales. Fearful that the Palestinians, hard hit by the civil war in Lebanon, would wash up on their own more clement shores, most of the Gulf governments have barred them from entering their territories since 1975 unless they have a labor contract.

That rule, enforced to the letter, has had the most trying consequences. The expatriates can no longer be visited even briefly by close relatives, so they must be able to afford to go visit those relatives wherever they are. Those

with families in Israel or the occupied territories--where they themselves are not allowed to go--are obliged to make arrangements to meet in a third country willing to grant visas to both sides. Palestinians acceptable to the Israeli authorities must undertake tedious procedures in Amman--generally requiring 2 months of waiting--and undergo the usual searches on the bridge linking the Hashemite kingdom to the West Bank.

"It is real agony for me to visit my daughter, who is studying at Ramallah University," says Hafez Tahboub, a former judge in Jerusalem who is now attorney general in the emirate of Sharjah. "An Israeli paratrooper--usually a 20-year-old kid--with a submachinegun in his hand shouts at me to get undressed, makes sure that I am not hiding a weapon, turns my suitcases upside down to empty out all my personal effects, and then examines them one by one. For my wife--who undergoes the same humiliations--and me, it is a nightmare that haunts us all year long as we wait to cross the bridge that will take us to our daughter."

For Awny Battash, the PLO's "ambassador" to Kuwait, it required nearly 4 years of intensive negotiation to induce the authorities to amend the rules slightly: since 1 January 1981, a Palestinian expatriate has been able to obtain a tourist visa only for his father and mother, provided that he can prove that he has a fixed monthly income of at least 6,500 francs. From Kuwait's point of view, those precautions are essential to restrict illegal immigration, which in the previous few years had been assuming disturbing proportions.

For their part, the Palestinians have the feeling that they are living under a temporary arrangement. Every employee in the public or private sector who reaches retirement age is required to leave the country with the members of his family, regardless of how long he has been an employee. This is part of the rule that work permits and residence permits are indissolubly linked. It is true that the law applies to all foreigners, but the consequences for a Palestinian are much more distressing, since in most cases he does not know where he will be able to live out his remaining years. He naturally cannot return to his country of origin, whether Israel or the occupied territories. If he is stateless, virtually no Arab country will accept him or even grant him a transit visa for fear that he will settle there permanently. If he holds some sort of Arab passport, his only choice will be to go to his adopted country, with which he generally has no link except permission to travel there.

Palestinians in the Gulf countries say: "We feel like foreigners everywhere." The natives, for their part, say: "They are impossible to assimilate." And the Palestinians retort: "We do not want to be assimilated, because Palestinians we are and Palestinians we will remain." One may well wonder which of those two nationalisms--the exacerbated nationalism of those without a homeland or the emerging nationalism of the peoples on the Gulf--does more to strengthen the will of the Palestinians to provide themselves with a state where they will at last be their own masters.

[17 Jun 82 p 5]

[Text] The Palestinian communities scattered throughout the Gulf countries--some 600,000 individuals who have emigrated

there in successive waves since 1948--occupy a choice spot in their host countries. Happy to have escaped the horrors of war or the Israeli occupation, they nevertheless suffer from many kinds of distressing and alienating discrimination. Admired or envied because of their human and intellectual qualities, they are regarded as invaders by the natives ("they are everywhere") and as being incapable of assimilation (See LE MONDE, 15 and 16 June).

The word "ghetto" is commonly used in the Gulf countries, even by the press, to indicate the neighborhoods where most of the Palestinians live. If you take a walk through the streets of Hawali and Nughra in Kuwait, which have some 150,000 inhabitants, you will see why. The hardworking lower middle-class inhabitants stepping out of the dilapidated houses are "different" from the natives in more than one respect. They are dressed "like Europeans," their women wear makeup but not the veil, they speak their original dialect, often with a rural accent, and if you are treated to their hospitality, you will discover that both their grating humor and their dinner recipes are specifically Palestinian.

The young people, born "in exile," differ scarcely at all from their elders--the generation of immigrants--except perhaps that their nationalist ardor is more pronounced. They talk about the land of their ancestors as though they had left it the day before, and many of them wear a steel or gold replica of the "occupied homeland" around their necks. They go to clubs that cater exclusively to Palestinians and seek their life companions "among our own people." They detest "mixed marriages"--meaning those with other Arabs, even if the religious denomination is the same.

Moustapha Beidas, a prosperous businessman, is a "liberated" Palestinian who lives not in one of Kuwait's "ghettos" but in a residential neighborhood among people of his own social class, where all nationalities blend together. He has traveled a great deal. His children studied in Switzerland, Great Britain, or the United States. He nevertheless demands four essential "qualities" of his future sons-in-law: "They must be Moslem, Palestinian, natives of Jaffa (his hometown) and, specifically, the Salhie District (where his family lives), and, preferably, my nephews." The most remarkable thing is that Beidas has managed to see three of his children married according to his criteria.

Social life revolves around the family unit, which is particularly solid, judging from the very low divorce rate.\* With the exception of a very slim minority of middle-class members and Westernized--indeed, cosmopolitan--intellectuals, the Palestinians see very little of the natives. A citizen of Qatar explained to us that the lack of affinity was due to the difference in customs and to the "sensitiveness" of the Palestinians, "who tend to interpret

---

\* "Palestinian Statistical Abstract 1981," published in Damascus by the PLO's Central Bureau of Statistics, shows, for example, that of the 66,556 couples in Kuwait, only 175 were divorced in 1975. It should also be noted that polygamy has virtually disappeared among the Moslem Palestinians.

the most trivial remark about them as an underhanded indication of antipathy or hostility." They find it particularly hard to endure any criticism of the PLO, although among themselves, they do not hesitate to criticize violently this or that aspect of the fedayeen "confederation's" behavior.

#### Attachment to PLO

Any observer can see the many signs of the diaspora's almost unanimous attachment to Arafat's organization. The reasons are simple. The PLO, as a "front" of independent organizations and personalities ranging from the Islamic Right to the extreme Marxist Left, is a sort of mirror in which everyone can recognize himself or herself. Its nationalist ideology is based on one concept--the right to self-determination--and two derivative demands: the right of the refugees to "return" ("al awdah") and the right to establish an independent state in Palestine. Beyond that "program," Arafat and his companions allow their compatriots freedom to imagine as they will the nature of their future state and the political, economic, and social structures that it will have.

Ali Yasir, an extremely wealthy contractor in Abu Dhabi, says: "I disapprove of the PLO's policy on a number of points, and I am not sure that its leaders are our best spokesmen, but I support it unconditionally because it embodies our national unity." He has never been active in a Palestinian organization--not even when he and his family were living in a refugee camp in Beirut--and he "still does not engage in politics." But the check that he sends to the PLO every month amounts to several tens of thousands of dollars.

All Palestinians on the Gulf pay dues, each according to his means: the established minimum is 5 percent of one's net wage (or 3.5 percent of the gross), and it is withheld at the source, like a tax, by the governments and many firms. The PLO is already functioning as a government. The Palestinian National Fund (like the Jewish National Fund before the State of Israel was created) finances a large part of the activities by the various "ministries." Contributions from the diaspora are added to subsidies from the Arab states to build schools and vocational training centers, to maintain clinics that dispense free medical care, and to take in and help settle needy new immigrants, who are issued a "certificate of good morals"--the equivalent of a police record among us--that will enable them to find a job more easily. The PLO's military apparatus is in charge of recruiting the young men who, every summer, are sent to training camps in Lebanon and Syria or to the battlefields if the situation requires it, as is currently the case in Lebanon.

The PLO is present in the daily life of the Palestinians of the diaspora. Through its democratically elected members, it operates unions and professional and cultural associations with tens of thousands of members and the hundreds of clubs that are scattered throughout all the Gulf countries. It also distributes the "national" periodicals published in Beirut, notably FALASTINE AL-THAWRA (Palestinian Revolution), AL ARD AL-MOHTALLA (Occupied Territory), and PALESTINE, an English-language magazine aimed at English-speaking readers, especially the Indian and Pakistani expatriates who are numerous in the region. Lastly, the PLO holds elections for the Palestinian National Council (PNC)--the "parliament" of the resistance--whose 350 members currently include about 80 representatives of the diaspora on the Gulf.

## State Apparatus

Having its own state apparatus, the PLO maintains "embassies" in all the Gulf countries, where its representatives enjoy diplomatic status. They ride around in luxurious official automobiles flying the Palestinian flag, are received with consideration in the chanceries, and are assiduously invited to receptions given by their Western and Eastern "colleagues." Parallel with those "officials," several leaders in Fatah--the PLO's main organization and the one that is said to enjoy the support of 90 percent of the Gulf Palestinians--live permanently in the region because of its importance.

One of Fatah's founders--currently a member of its Central Committee and deputy chairman of the Palestinian National Council--is Selim El-Zaanoun, known as Abul Adib, who acts as "high commissioner for the Gulf countries." His departments, which occupy an entire modern building in Kuwait, are superimposed on those of the PLO in managing affairs on the regional level. A chubby man with a thin mustache and horn-rimmed glasses who sits in a luxurious air-conditioned office, Abul Adib looks and behaves like a high-ranking professional diplomat. Offhand, his highly nuanced praises for the "host governments" seem sincere.

It is basically funds from the Gulf which supply the cash for the Palestinian resistance, enabling it in particular to acquire expensive weapons. It is the governments in that region which are most prompt in supporting the PLO politically, sometimes contrary to their own convictions. They unreservedly condemned the Camp David Accords, broke off relations with Egypt, and approved and then rejected the "Fahd Plan" for a peaceful settlement, all in response to the fluctuating opinion of the fedayeen "confederation." They finance the military presence in Lebanon of Syria, the PLO's ally, even though most of them detest the Damascus regime; they denounce the United States, criticize Francois Mitterrand's France, and treat the Soviet Union with consideration because of the latter's pro-Palestinian stands.

There is nothing secret about the influence of the Gulf diaspora. The visiting observer is told repeatedly: "It is no more mysterious than that exercised by the Zionists in the United States and, more generally, throughout the West." The "sensitivity" of the sheikhs who rule the region is not due solely to the fact that they are Arabs and Moslems: it was also shaped in their formative years by Palestinian tutors and later by advisers, high officials, and big businessmen who have become their friends and who do not conceal their sympathies for the PLO. Precisely like the young generation of native intellectuals, they do not escape the nationalist ideology exuded by the mass media, which, everyone agrees, are "dominated" by numerous and talented Palestinian journalists. But they remain vigilant.

## Gratitude and Distrust

As microcosms of the Arab world, the kingdoms and principalities of the Gulf are as sensitive as seismographs to every quiver in any country in the region. The Palestinian problem, more than any other, constitutes a sword of Damocles in that it generates agitation, revolutions, and wars that could shake the

fragile and vulnerable regimes to their foundations. There can be no doubt that the governments on the Gulf are ardently hoping for a peaceful settlement, preferably one negotiated with the PLO, which is the only organization capable of giving peace a lasting character. But while supporting Arafat's organization, they back away from any measures that might endanger their prosperity or stability. Here more than elsewhere, interests of state take precedence over the feelings of the rulers. The latter therefore take preventive or repressive steps to confront the "Palestinian peril," which is much more potential than real in the present state of things.

This duality in their behavior causes the Palestinians to have ambivalent feelings toward their host countries: there is gratitude for the hospitality received, but also solid distrust of "the Arabs," whose "verbal solidarity" is perceived most often as a deception. In a time of crisis, such as that triggered by the invasion of Lebanon, bitterness becomes indignation at the "passiveness" of the governments, which refuse to decree economic reprisals against "Israel's accomplices," chief among them the United States. Then all the pent-up grudges, the supposed "betrayals" by all the Arab states from Morocco to Saudi Arabia by way of Jordan, Syria, and Iraq, and everything from the "desertion" by the Palestinian insurgents against the British occupier in the 1930's to the separate Israeli-Egyptian peace--it all comes out. "We are the Jews of the Arab world" is the disillusioned grumble of a number of Palestinians, including high-ranking PLO officials.

The political climate has changed considerably among the Palestinians on the Gulf. It was not long ago that a majority of them were "maximalists" who discreetly but firmly opposed a plan conceived in 1974 by the PLO leadership to resign itself to accepting a state on the West Bank and in Gaza. The very same ones who headed the protest at that time now confide that a "ministate," even an "emasculated" one, is preferable to prolonged exile. Drawing their lessons from the experience of recent years and assessing the international relationship of forces, many of them--especially those who are now over 50 years of age--despair of seeing such a compromise reached in their lifetime. But none of them doubts that the "racist entity of Israel" will eventually give way to a "reunified Palestine," binational or not, depending on whether that new state is founded by peaceful means or by violence.

By taking the parallel farther than they usually do, one could assert that the Palestinians of the diaspora are no less "Zionist" than the Jews, who for centuries have never stopped repeating in their ritual prayers: "Hashana haba ba Yerushalayim" ("Next year in Jerusalem").

11798

CSO: 4419/21

SAUDI PETROLEUM MINISTER ON OIL PRICES, PRODUCTION

PM130851 London AL-DUSTUR in Arabic 12 Jul 82 pp 34-37

[Interview granted by Saudi Minister of Petroleum and Mineral Affairs Shaykh Ahmad Zaki Yamani to unnamed AL-DUSTUR correspondent: "International Energy Commission Lied; British Government Misbehaved; and Major Companies Conspired"--date and place not given]

[Excerpts] AL-DUSTUR: Mr Minister, the current oil crisis still exists on more than one level. How do you view its origin?

Yamani: Early this year we felt in Saudi Arabia and in the rest of the oil-producing countries that there was an intensive and systematic effort to bring oil prices down. We noticed newspapers and television in various parts of the world talking about the possibility of reducing the oil price to a level that might reach \$28 per barrel. It was also said that Saudi Arabia too was urging a reduction in prices and many stories were spread about the collapse of OPEC and its coming to an end. We in the kingdom should play an important role in the field of energy. We have always fulfilled our responsibilities in this field. We do not believe that the end of OPEC would be in the consumer's interest; nor would reducing the oil price from \$34 per barrel to any lesser level, let alone \$28 per barrel. We know that the consumers or some of them at least are trying to bring about a reduction in prices in order to get rid of the present recession (in the Western economy) and begin to revive economic activity, all of which is to be achieved through reducing their oil expenditure.

AL-DUSTUR: Of course you did not agree with such a trend.

Yamani: No. There are other aspects of the matter that need to be taken into consideration, including the tremendous investment so far in developing alternative energy and the position of the many small companies who would have faced bankruptcy had [the value of] their oil assets dropped with a drop in oil prices. In fact the cost of storing a barrel of oil since 1979 to some of these companies has been little more than \$1. Therefore, if we allowed oil prices to drop we would be rendering a service to the big companies which would like to get rid of the smaller ones. This would not be in the consumer's interest. Moreover, following this road would eventually lead to an acute increase in prices. Therefore, we should not blind ourselves and reduce prices; this might reduce oil bills but it would lead to another crisis in the near or distant future.



AL-DUSTUR: Why did the kingdom adopt the principle of equilibrium when in the past it was the one that created the existing glut?

Yamani: The kingdom always seems to create stability in the market. In the past we were unpopular among our colleagues in OPEC because we increased our production to more than 10 million barrels per day. We maintained this level for a long period of time after when we began to reduce it gradually. We now believe that our responsibility is to follow a different direction through which we want to contribute to achieving stability in oil prices. Before going to the Vienna conference (last April) we had set a maximum production ceiling for ourselves of 7.5 million barrels per day. This ceiling brought OPEC's current production to 18 million barrels per day. But in order to achieve stability in oil prices we decided to take another step immediately after the conference. We reduced the kingdom's production ceiling to 7 million barrels, which brought OPEC's total production ceiling to 17 million barrels per day. We decided to watch the development of the market very carefully. If it is necessary to reduce the production ceiling we will reduce it, and if it is necessary to raise it we will raise it. The possibilities of a reduction are the same as those of an increase. But I would like to assert the possibility of a reduction if necessary. What concerns us is the stability of oil prices and ensuring future supplies to the world.

AL-DUSTUR: Does this mean that the kingdom has gone back on its previous stand of reserving its full constitutional right to decide its level of production and has adopted the principle of joining agreement on total production and sharing it?

Yamani: No. We do not see OPEC as the place where production levels should be decided. Our official stand is not to be committed to any kind of production programming and to reserve our right to increase or decrease our production as the situation may dictate in order to achieve stability of prices and ensure future supplies.

AL-DUSTUR: Do you expect your production in Saudi Arabia to drop a long way below 7 million barrels per day?

Yamani: No, I do not expect it to drop. But I would expect that the present chaos in the market will end once and for all. This chaos was created by some of the consuming countries.

AL-DUSTUR: You said that it is wrong for prices to drop below \$34 per barrel. But it is said in the West that the extent of price changes in the near future will be between the present price, which is the maximum, and \$28. Will you allow the price structure to move downward or will you let it freeze as it is for a long time?

Yamani: I believe that \$34 is the minimum fixed by OPEC. But by fixing it at this level, the real price will be continuously dropping. I am one of those who believe that it is better for the consumer to enjoy a reduction in the oil price through currency inflation which affects the value of purchasing power. Fixing the oil price in cash terms for a period beyond the end of 1982 means that by the end of 1983 the real price will have dropped way below \$34 per barrel.



AL-DUSTUR: For how long will the official price fixing remain?

Yamani: The OPEC decision so far is that the price should remain fixed until the end of 1982, but I believe that it should remain so until 1983.

AL-DUSTUR: How would you describe OPEC's health in general?

Yamani: I believe that during 1979 and 1980 and probably to 1982 we were somewhat overweight in that we tended toward excessive production. Restricting production this year is useful for regaining health.

AL-DUSTUR: So you are now going through a recuperation period after the crisis had ended.

Yamani: I believe that the crisis has eased a great deal. The oil glut resulted from several factors, most important of which was the "dumping" of stockpiles. We have heard many voices in the West warning against going too far in dumping oil stockpiles because of its harmful effect in that those who were dumping were exposing themselves to dangers that still exist and continuously recur. This should not be done and it must stop.

AL-DUSTUR: What about the British Government's role in creating and continuing the crisis since it has cut the North Sea oil price to \$31 per barrel.

AL-DUSTUR: It agrees with what the major consumers have been trying to achieve. But from now on we might see an increase in the price of this oil.

AL-DUSTUR: What do you say about those who criticize the United States for creating the crisis?

Yamani: I would say that those who criticize are its partners in Europe. They are the ones suffering from the great increase in U.S. interest rates. I have never heard any of the Gulf countries criticizing the United States except perhaps with regard to Arab-Israeli relations, which is something quite different.

AL-DUSTUR: I believe there is evidence that the United States has a role in the crisis, particularly since President Reagan himself criticized OPEC. Which Western quarter do you believe created the crisis?

Yamani: Take the international energy agency, for example. At the beginning we heard that the dumping of stockpiles was running at 3.5 million barrels per day. Then suddenly we heard it was less than 2 million. We know that this is not correct and we can bet that it is not correct. The spread of incorrect information is one of the things that arouse our suspicion. We believe that the dumping of stockpiles during the first quarter of this year reached 4 million barrels per day. What would the effect of such dumping be on the major companies if the price were to drop from \$34 to \$28? If we consider that total consumption in the "free world" has been 46 million barrels [presumably per day] during 1982, of which 11 million barrels go to the third countries, then what remains is 35 million barrels which represents the amount of consumption in the industrial states. If you multiply this amount by \$6 then you would get

more than \$6 billion a month, which is the amount of energy savings. It no doubt contributes to easing the current economic recession but this incidental gain has a high price afterwards. This price is contrary to the interests of mankind. If we freeze the prices up to the end of 1983 the production levels we have imposed on ourselves would be sufficient.

AL-DUSTUR: Do you say, therefore, that the problems faced by OPEC were a conspiracy by the International Energy Agency, the major oil companies and the British Government? Or are you inclined to agree with what the Western petroleum media and Western analysts believe--that the crisis is due to market forces and that the organization itself has contributed to creating this crisis since it increased its price more than it should and flooded the market with its product more than it should.

Yamani: Both things combined.

AL-DUSTUR: Where is the conspiracy then?

Yamani: Stockpile dumping has gone beyond reason.

CSO: 4400/368

## RESULTS OF LATEST OPEC CONFERENCE ASSESSED

London AL-DUSTUR in Arabic No 236, 31 May 82 pp 33-35

/Article by Rabah Munir Shaykh-al-Ard: "A Temporary Victory by the Oil Generals!"

/Text/ The OPEC Conference in Quito: The Organization of Petroleum Exporting Countries concluded the ordinary semi-annual meeting it held in Quito, the capital of Ecuador, by confirming the resolutions it had adopted at the exceptional conference it had held in Vienna, the capital of Austria, last 19-20 March, thus proving its ability to survive. But how long will it do so, while the crisis, the conspiracy against the organization, continues?

OPEC's Vienna resolutions drew up a maximum crude oil production level of 17.5 million barrels a day in the organization's 13 countries. The organization viewed this as the maximum overall limit that would support its two previous resolutions in Geneva and Abu Dhabi, where it had set a price of \$34 a barrel for /Arabian/ Light oil and determined price differentials that were in keeping with quality differentials among the various types of oil the organization's countries produce.

The Kingdom of Saudi Arabia did not bind itself to either of the two resolutions setting overall production and prorating shares. However, it did strive to support the resolution freezing prices and held that the freeze should last until the end of 1983. To realize this objective, the Saudi minister, Shaykh Ahmad Zaki al-Yamani, declared that his country would set the volume of Saudi production from month to month in the light of developments in the market. While the organization faced a vicious campaign aimed at reducing the established price on its enemies' part, Saudi Arabia saw fit to reduce its production to 7.5 million barrels a day, then to 7 million, and it was said that it had gone down to 6 or 6.5 million last month.

Before the Quito conference, the member countries became exercised when one of its senior ministers proposed that one might eliminate the maximum production ceiling and go back to the organization's former system where every country determined its production level in accordance with its revenue requirements or special political reasons. These methods produced a conflict of interest in the organization, when the Seven Sisters (the big oil monopolies), the International Energy Agency, the major consuming countries in the industrial West, especially the United States, Britain and Brazil, and a number of new exporting countries,

such as Britain itself, Norway and Mexico, launched a large-scale war against the organization on grounds that it was a basic bloc in setting market prices. The Vienna resolutions determining overall production and prorating it among the member countries came as a successful response to this "politico-economic war," as Belcacem Nabi, the Algerian minister of energy, described it. Bolstering its success was some organization countries' cooperation in offering support against the pressure some others were exposed to regarding revenues derived from crude oil sales: Saudi Arabia and Kuwait gave generous financial assistance to Nigeria, which is the weakest link in the organization, and Venezuela provided further assistance to Ecuador. Only Iran, which had raised its production above its prorated share of 1.2 million barrels a day to 2 million while dropping its sales price from \$34 to \$29 a barrel, failed to bind itself to this mutual cooperation.

The threat of eliminating this cooperation and going back to the system of individual action scared a large number of member countries. The people who supported the notion justified this recommendation on the grounds that the demand for oil in the West had started to increase. However, Organization of Economic Cooperation and Development stressed their pessimism about the revival of the American economy, which was the largest source of demand, and showed no optimism about an improvement in the economic conditions of other Western industrial countries. It is not reasonable that pressure on the oil surplus that exists in the markets should be reduced and it is not reasonable to draw back from setting production up to the end of 1983 (the period which Shaykh al-Yamani recommended for keeping prices frozen, in the "hope" that inflation would lead to a drop in the purchase price).

In this fashion, the Quito conference decided to keep everything as it was until the next regular meeting at the end of 1982 and to continue to maintain a united front against the organization's enemies abroad. The common vexations that bind the member countries together today are still much greater than the essential philosophical disputes and broad political tendencies that separate them.

The most important common denominator among them all is the fact that the nations of the Organization of Petroleum Exporting Countries are considered "honorary members" of the group of developing countries in terms of their economic resources, which will be decisive in reorganizing international relations. However, they all share a corresponding status among the industrial countries, which consult with them and joust with them at the same time.

Regarding this common position on the scale of economic and social development and consequently on the real balance of power in international politics, the "common enemy" takes a single position on the Organization of Petroleum Exporting Countries. The manifestations of that position toward the right wing of the organization and its left wing differ, but it does not differ in essence: the only inevitable relationship between the "centers of leadership" in the industrial West and the "surrounding centers" in the developing South is one of power. Power does not need military violence to realize its objectives, as long as peace is more effective and powerful. The balance of power between the industrial West and the developing South will have a single result as long as the former remains more developed than the latter, and people who imagine that the world is witnessing the establishment of an "international community" are wrong. The current

economic system is still a "wild jungle," and wild animals do not recognize fraternity or equality--they operate only on the basis of "economic freedom," which dictates that others are to be seized as prey as long as they are unable to protect themselves. The basis of the relationship of power that exists today is the hunger of the strong in the industrial West for the resources of the poor in the developing South, through the sale, purchase and exchange of commodities and wealth and through direct material and financial investment.

When one realizes these simple facts, stripped of verbal embellishment, behind the curtain of propaganda that the Organization of Petroleum Exporting Countries is launching, and its counterpropaganda, one will then realize the value of the results the "oil generals" attained in the Vienna and Quito meetings and their reassertion of the fact that "OPEC will continue to survive." Whether or not Western economic conditions improve, the coming days will decide OPEC's new international weight in determining the volume of actual production and the real price level, and consequently the volume of revenues obtained and their buying power. The application of the overt and implicit conclusions which the two conferences have reached will result in the reassertion of the organization's ability to survive, through which the organization will reacquire its original liberationist course and will help change the course of the historic relations which the forces of the industrial West and the growing South have determined, or it will result in the organization's failure to achieve anything except a token survival in the oil world, which since mid-1981 has been subjected to a dialogue of force between a pacified "original OPEC" and a "counter-OPEC" which is performing the pacification operations.

The past few months have shown that the organization's shift from its original course and its willingness to be pacified is not an "inevitable necessity" from whose consequences one cannot escape. The organization's will is exerting a great effect on the balance of forces in international politics. Therefore the emergence of the "counter-OPEC," the offspring of the thinking of the industrial West in terms of precise scientific thinking and its recourse to the use of economic and financial methods (before various political ones) in the pacification process and in mobilizing its will in conducting the dialogue with the "original OPEC" has been the development of a match for this peer. The international oil monopolies, known as the Seven Sisters, the Western governments which established the International Energy Agency, and the major interests which are concentrated in the Western banks and financial institutions will not agree to let the revolution of the "original OPEC" be a final one which will afford no scope for resistance or the restoration of the reins of initiative to their hands. Between 1973 and 1981 they determined to give and take, attack and withdraw, and they launched a prickly financial oil war in which they exploited the internal differences in the "original OPEC" to break the vise of "inevitable necessity." However, the "original OPEC" demonstrated its ability to survive, and with this sort of will, the oil exporting countries will in the future be able to defy the challenge and regain the power to make changes and transformations which they lost, in order to build a "new international economic order."

The first necessary step in this direction will be to review the basic oil balance in the light of the need to stand up to the "counter-OPEC" and bring the reins of

initiative back to the oil exporting countries. Regardless of the recent Vienna and Quito resolutions, both declared and implied--resolutions that will remain superficial, fragmentary and transitory because of internal philosophical political differences--the "original OPEC" will be able to find a reasonable resolution to this balance, one which can be carried out--a resolution which will rise above the level of Byzantine discussions and feeble formulas which officials in the ministerial committee presented to set out a "long-term pioneering policy." The "original OPEC" will be able to lift from its shoulders the external pressure to which it has recently been exposed and will continue to be exposed as long as it stays weak in standing up to the "counter-OPEC." It will also lift the internal pressures which cause alienation within its ranks from its shoulders and will prepare the groundwork for the creation of broad, deep political changes from which the "counter-OPEC" might hope to strike out at national interests in the oil countries and carry out the pacification process in full!

The Organization of Petroleum Exporting Countries so far has been accustomed to restricting its effective and official resolutions to one aspect of the oil equation--setting the prices of the oil sold through government contracts and the price differentials among the organization's member countries, according to differences of quality in the various types of oil. Each country has continued on its own to reformulate its direct relations with the international oil monopolies which buy most of this oil; in this matter there are large differences among the exporting countries, resulting from their different economic notions and political positions. In the picture, the organization continues to be the club which brings the oil exporters together. It is not the monopolistic "company" that its enemies imagine it to be or the legal "cooperative" which its friends would like it to be. It has been of a slightly higher caliber than such toothless organizations as the Arab League, but it is far below the "European Common Market" even in the latter's early periods. The organization's problems and mistakes have come from its shortcomings by representing an association in the form of a "company" or "cooperative" and a deficiency in coordination among its members' decisions on all levels of the oil equation besides prices, especially since each country enjoys what is called "the national right to set the production level."

This pitfall into which the organization has pushed itself and its enemies have shoved it does not differ greatly from the pitfalls into which Western labor unions, for example, have fallen. The latter managed to raise wages through strikes and negotiation, but they neglected to take the general level of prices into consideration, especially since that is subject to the influences of central and ordinary banks and government fiscal policies. They have created inflation, reducing actual wages by reducing buying power in every monetary sector. The workers have lost from the right hand what they had gained on the left, and the oil exporting countries have lost through imported inflation, fluctuations in international exchange rates and rises in the prices of imported manufactured goods what they had won by raising the prices of oil exports. If chaos in production emerges within the organization because it is not coordinated and allocated among members, it will be undermined; if the "counter-OPEC" intensifies the attack against it by flooding the international market with more surplus supplies, the organization will totter, and if its ideological and political differences reappear, it will start to break down.



The oil exporting countries may be broken down into three groups by their social positions on the economic philosophies that govern the world:

1. The right wing. This controls 38.2 percent of the oil reserves in the organization while it produces 30.7 percent and exports 32.78 percent. Its fighting strength is great and it has approximately 8 million inhabitants; its annual per capita income comes to \$6,847. This group, in international politics, is considered "right wing" (an expression that goes back to the days of the French Revolution), because it adopts many of the theses of neoclassical philosophy in the realm of economics and on many occasions refuses to recognize people who have changed them, such as the British scholar John Maynard Keynes, preferring his old adversaries and new critics alike, from the Britisher Alfred Marshall to the American Milton Friedman and from Prime Minister Margaret Thatcher to the American President Ronald Reagan.

The theses of this group are six in number, and the dispute revolves about those:

1. The "sacred law of supply and demand." This is the law of flexibility of demand and the need to give the market free rein (*laissez faire*).
2. The Organization of Petroleum Exporting Countries is an organization of prices, not an organization of volumes, and it operates within the context of the free market.
3. Each member of the organization has full national sovereignty and independence in determining policies, like the situation in the Arab League.
4. The organization is a part of the existing international economy, supporting it and coordinating the activity in that with its own.
5. The oil crisis is responsible for the "general crisis."
6. Proper oil policies in the past required the reduction of prices in order to provide an incentive for world demand and keep production high.

Today they require the retention of the prices that have been determined, along with a slight reduction in production. This group represents the approach of Saudi Arabia and the emirates.

2. The center. This controls 30 percent of the oil reserves in the organization while it produces 30 percent and exports 28 percent. By far the most important country in this group is Venezuela, which has a long-standing history of fighting against the right but often approaches the doctrine of expedience which holds that a conciliatory solution must be found which will realize the objective when a problem arises, the moment the problem is raised. It is followed by Kuwait, Qatar and Gabon. Its conditions are highly contradictory, as are its shares of reserves and population. Consequently, it tends to fluctuate between the right wing and the left and to combine its own petroleum economic theses with some of the theses of those two parties. However, it is concerned today with reducing of the total production in the organization while keeping prices as they are.

3. The left wing. This controls 31.76 percent of the oil reserves in the organization while producing 39.77 percent and exporting 40.2 percent. Its fighting strength ranges from greater to less than that of the right in accordance with the point of time under study. In principle it includes Iraq, Libya, Algeria, Nigeria and Iran (and perhaps at times Indonesia, Venezuela and Ecuador). These countries face great problems in getting the financial assistance necessary to continue the struggle, when the mechanism of supply and demand works against them, especially since their average annual per capita income is \$1,333 (and perhaps \$950). Consequently they face major problems in meeting the population's requirements in the case of any lengthy "siege." Their total population is 140 million people (302 million if Indonesia, Venezuela and Ecuador are included). The mobilization of their populations for other types of activity will change the mechanism of supply and demand over the long range, gradually putting them in a better position than the one the "right wing" enjoys at the present time. This explains their concern over some of the petroleum economic theses they adopt.

This group has acquired the formula of the left in international politics for one of two reasons. Either it follows the neoclassicist revolution of the scholar Keynes, raises the banner of economic intervention and strives to move volumes in the market when prices totally fail to realize a balance between supply and demand, or it goes farther than that, embraces national ownership and the planning of economic activities and tries to reduce capitalism and the private sector in order that socialism and the public sector can take their place. The theses of this group are six in number:

1. The law of supply and demand is a social function which one can influence for political, economic and cultural objectives. There is no alternative to regulating the market by reorganizing it and continuing to constitute it and look after it in a manner serving these objectives.

2. OPEC is an organization of volumes as well as an organization of prices, and it strives to change the infrastructure of influences on prices.

3. The organization transcends regionalisms and nationalisms and all its members lose a portion of their sovereignty and independence in its framework, to the extent that they want to participate and effect coordination.

4. The organization is part of the revolution against the existing international economy, stands in confrontation against it, not in its ranks, and, in cooperation with similar "revolutions" in the third world, strives to diminish that and create a "new international economic order."

5. It is the "general crisis" itself which is the origin of and is connected to changes in the system which have led to the oil crisis, so it is necessary to solve the general crisis in order to solve the particular one.

6. Correct oil policy today demands a reduction in output to about 16 million barrels, until international demand revives of its own accord, and prices should be kept high to face the inflation which has been imported into the organization's countries.



A war of black gold has gone on among these three powers within the organization, and it is still going on, in spite of the temporary oil truce the powers have reached. Are supply and demand a neutral mechanism like the weather and the waves of the ocean, or are they aligned toward the interests of the industrial countries? Must each supplier determine the amount of the supply he provides and its price, or must all suppliers together determine the total supply and price level? Is the organization a group of friends or a bloc of allies?

In the midst of all these contradictory theses, the organization cannot long remain in its current form, with its current resolutions. Strengthening the effect of the explosive charges underlying the countries in the organization is the fact that the oil generals have not confronted the problem of discussing these theses within the organization itself, or, if they have, they have not found a solution for reconciling them which goes beyond expediency and temporization. The current pricing and production crisis arose together with the recent resolutions.

In 1973, the organization, on a basis of internal unity, rose up against the "conditions imposed upon it" abroad. The countries and interests that had been harmed launched a "counterrevolution" which dealt with the recycling of petrodollars, and they dealt with the change in the rates of international inflation and the rates of foreign currencies. The opposition forces almost succeeded in outflanking the organization, but they did not succeed in "coopting" it.

In 1979, the organization rose up once more against the effects of the "counter-revolution" and threw itself into a crisis of internal dissension and external resistance. Henry Kissinger called on his country to put the Tucker thesis into execution by taking over the oilwells. When he left the American Department of State and became Nelson Rockefeller's assistant, he realized that the organization had changed to the point where an occupation would damage the interests of Exxon, which Rockefeller owned, more than it would harm the organization.

When 1981 came around, the organization found itself surrounded by right, left and center, drawing it toward the system that it had rebelled against and an alternative whose makeup most members could not foretell. It succumbed to production chaos to the tune of 2 /million/ barrels or more and to a price chaos to the tune of \$2 or more. It fell prey to the market, "the system" and the crisis of economic ideas to the tune of two or more countries. In all cases, the cart of the organization began to shift as the effects of the horses that were pulling on it emerged. Though it was out of the question that it should be fragmented from within, because all the "generals of the war" wanted it to survive, was it not possible that it could be fragmented from outside, if the "generals" could not find a common denominator to bring them together, aside from transitory decrees?

The problem the organization still has to face is that of pioneering long-term policy. In the last analysis, there is no way to avoid the need to review the oil equation in the light of the requisite financial requirements for economic development--on a basis of the percapita average in each oil country, not the average of the individual oil country as a whole.

If one realizes that the simplest forms of the oil equation, in calculating each country's oil export revenues, are the product of dividing the volume of oil exports by their prices, one can understand most oil countries' concern to change

the level of production, the price level or both to realize the greatest revenues. Most revenues are, in general, spent on development projects and ordinary government expenditures, and the government's success in realizing its economic objectives, and consequently in staying in political power, is closely connected to the volume of oil revenues. Oil influences money, and money influences oil.

However, oil revenues, and consequently production and price levels, have no meaning in an absolute sense; rather, they are firmly connected to the population, and therefore a new concept has arisen in the oil world, which was not much taken into consideration before the start of the current oil crisis and not talked by economists as much as it has been since mid-1981. This concept is that of "relative oil weight," that is, the volume of money derived from oil sales as reflected by the number of barrels exported per 1,000 inhabitants. Observing this common concept, which one can call the "general relative weight," that is, the annual national income divided by the population, one can see that there is a correlation between the two concepts in most cases. That is, the "general relative weight" of each oil exporting country increases as its relative oil weight increases. Consequently one can divide the OPEC countries into two groups, the rich ones, which are, in oil terms, Qatar, the emirates, Kuwait, Saudi Arabia, Libya and Gabon, and the poor ones, which are Iraq, Venezuela, Iran, Algeria, Nigeria, Ecuador and Indonesia.

They entered their ranks in the balance of the rich and the poor according to these countries' conditions prior to the emergence of the current oil crisis. However, the crisis changed these countries' conditions in a minor fashion as a result of political and economic causes. Perhaps the greatest effect of the crisis on the "OPEC rich" befell Kuwait in particular. That had occupied fourth place in terms of wealth after Saudi Arabia, whereas it had previously occupied fourth place, ahead of it. It is as if the oil crisis, which arose from the general crisis of capitalism, had manifested itself in the decline in Kuwait's oil status relative to Saudi Arabia. At the same time, Libya's relative position declined to the point where it approached that of Gabon.

Among the poor the effect was greater. Venezuela's position improved tremendously in comparison with that of Iraq; they exchanged places at the top. Algeria's position improved vis-a-vis that of Iran; although oil production in the former dropped, it remained greater, so they changed places between fourth and third. The position of Ecuador improved vis-a-vis that of Nigeria, while Indonesia, with its great population, remained without question the poorest country in the organization. In other words, the countries most harmed by the crisis were Iraq, Iran and Nigeria. It was to solve the problems of all these countries that the Vienna and Quito resolutions came about, but they did not come about!

11887

CSO: 4404/534

OPEC INTERNATIONAL DEVELOPMENT FUND 1981 REPORT

AU011310 Vienna DIE PRESSE in German 1 Jul 82 p 8

[Special DIE PRESSE report by "ho": "OPEC Fund Finances Energy Projects"]

[Text] Vienna--The OPEC countries, which still regard themselves as belonging to the Third World, are rendering substantial development aid: in 1980 the share of development aid in their gross national output was 1.35 percent, while being only 0.37 percent in the Western industrialized countries and even as low as 0.12 percent in CEMA.

On Tuesday evening the OPEC Fund for International Development, which has its headquarters in Vienna, presented the operating report for 1981. According to Ibrahim F. I. Shihata, director general of the OPEC fund, the fund is especially financing energy projects so as to reduce the dependence of the poor countries of Asia, Africa and South America on energy imports.

In the first 5 years of operation of the OPEC fund (until 1981), 267 loans were granted to 79 developing countries, in the total amount of \$1.3 billion, of which \$739.3 million were paid out. Moreover, the OPEC fund also grants subsidies and various bonuses so that the overall total of granted loans by the end of 1981 was more than \$1.9 billion, of which \$1.2 billion were paid out.

In 5 years African countries received 147 loans amounting to \$581 million, Asian countries 79 loans (\$564 million) and Latin American developing countries 41 loans in the amount of \$160 million.

CSO: 4400/362

## ALGERIA

### ARMED FORCES GRADUATION CEREMONIES DESCRIBED

Algiers EL MOUDJAHID in French 22 Jun 82 p 3

[Text] Chercell (aps)--President of the Republic and Secretary General of the FLN Party Chadli Bendjedid presided at the graduation ceremony for the 13th class of officer cadets and the 3d promotion of active officers, held at the Chercell Interbranch Military Academy yesterday morning. These classes were given the name of Mohamed Seddik Benyahia, paying homage to this late martyr to duty and his companions.

The ceremony was attended by Mohamed Cherif Messaadia, member of the Political Bureau and head of the Permanent Secretariat of the Central Committee; Col Abdallah Belhouchet, member of the Political Bureau and vice minister of defense in charge of general inspection; Col Mostefa Benloucif, member of the Central Committee and secretary general of the Ministry of National Defense; Col Abbas Gheziel, member of the Central Committee and permanent secretary of the High Security Council; Col Mohamed Attaïlia, member of the Central Committee and commander of the First Military Region; and also a number of central department heads from the Ministry of National Defense and other officials.

After being welcomed as he entered the academy by Lt Col Lyamine Zeroual, the academy commander, the president of the republic inspected the units before taking his place on the dais.

The academy commander then spoke, welcoming the chief of state and the delegation accompanying him to the ceremony being held during the preparations for the celebration of the 20th anniversary of the winning of independence. Stressing the importance of this event, the academy commander explained that the members of these groups being promoted belong to two generations: the November generation which made the supreme sacrifice for freedom and independence and which is continuing the sacrifice, through its sweat, to defend the country and safeguard the socialist gains of the people, and the independence generation, born in freedom, whose patriotic spirit has been sharpened by the academy which has provided military and ideological training in accordance with the constitution of the country. Thus this generation has emerged firmly determined to make sacrifices for the defense of the country and its sovereignty.

Lt Col Zeroual stressed that the military and cultural educational programs pursued during the teaching cycles at the academy are designed to achieve a single goal--the training of superior cadres on a high level to make it possible to raise the combat capacity of our armed forces.

Speaking to those in the groups being promoted, the academy commander urged them to measure up to the great hopes placed in them, stressing in particular the fact that the assignment to labor posts represents an extension for the purpose of deepening concepts and exercise on the practical level after completing theoretical training.

Lt Col Zeroual then stressed the quality of the scientific, military, political and ideological education and training provided the officers in the group by experts, university professors and party and state cadres.

In conclusion, the academy commander made a point of thanking all of the professors and cadres who invested their effort in the training and education of these groups.

Following this address, the members of the groups being promoted swore allegiance, and then the leaders among them were presented with their diplomas by the chief of state.

After the president of the republic bestowed the class name on the groups being promoted, an officer from the academy read the biography of the martyr Mohamed Seddik Benyahia, stressing his militant action during the armed revolution and the construction battle.

The ceremony ended with a parade of the officers and officer cadets in the class.

#### Graduation of a New Class of Police Officers, Inspectors and Superintendents

A graduation ceremony for the new class of police officers, inspectors and superintendents was held yesterday morning at the higher police school in Chateaneuf, Algiers, with Prime Minister Mohamed Ben Ahmed Abdelghani and Minister of Interior M'hamed Yala, both members of the Political Bureau, participating.

The ceremony, at which El Hadi Lakhdiri, member of the Central Committee and director general of the National Police Department, presided, was also attended by other members of the Central Committee and government officials, including Minister of Health Abderrezak Bouhara; Larbi Belkheir, secretary general at the presidency of the republic; Djelloul Khatib, secretary of state for civil service and administrative reform; Minister of Culture Abdelmajid Mezian; and Messrs Zhor Ounissi, secretary of state for social affairs, as well as the ambassadors of the People's Republic of the Congo, the People's Republic of Benin and the Republic of Djibouti, cadres from the general office of the National Police Department and numerous leading political and military personalities.

After the singing of the national anthem, the prime minister, accompanied by the minister of interior and Mr El Hadi Lakhdiri, reviewed the graduating class.

A student in this class then delivered an address on behalf of his comrades, in which he hailed the effort put forth by the school to the benefit of the students during their training period.

Mr Khaldi, head of the recruiting and training department of the DGSN [Directorate General of the National Security], stressed that despite the development of the science and technology which is available to us to eliminate all the causes of crime and delinquency, the human element will always remain the most important for any success in this field.

In conclusion, Mr Khaldi urged the students in the graduating class to deepen their knowledge and their experience so as always to measure up to their responsibilities.

Before the presentation of prizes to the winners, the students in the graduating class took the oath. The ceremony ended with a parade by the students in this graduating class.

It is to be noted, moreover, that this graduating class includes 305 trainees (287 Algerians and 18 foreigners). The breakdown of Algerian students promoted is as follows:

- 38 police superintendents
- 60 officers
- 162 inspectors
- 21 radio operators
- 5 ministry of justice rehabilitation officers

The foreign students are from the following countries:

People's Republic of Benin (2 superintendents and 2 officers), People's Republic of the Congo (2 superintendents, 3 officers and 5 inspectors) and Republic of Djibouti (40 officers).

#### Magistrates Trained at Dar El-Beida

It should be noted that Minister of Justice Boualem Baki, for his part, presided at the ceremony held at the Dar El-Beida Magistrates' Training Center to mark the completion of the studies of the fifth graduating class of magistrates trained at this center.

This graduating class includes 117 magistrates who have completed a 6-month theoretical course at the school as well as a practical apprenticeship of 10 months in the various jurisdictions.

In a short address, the director of the center welcomed the minister of justice and stressed that "your presence among us reflects the interest the political

leadership has in justice and those who are called upon to render it." He then gave a brief history of the school, which has been in existence since 1973 and which has trained 754 magistrates since 1977.

The director then yielded the floor to one of the student magistrates, who, speaking on behalf of his comrades, paid homage to the Ministry of Justice "which has spared no effort to train numerous and qualified magistrates in order to meet the needs in this vital sector."

Following these two speeches, the minister of justice gave a major address in which he defined the role of the magistrate in protecting citizens, defending public interests and safeguarding morals.

#### Air Force Officers Graduate

Elsewhere, Col Kamal Abderrahim, member of the Central Committee and commander of the Second Military Region, presided at the graduation of the 13th officers class, which bears the name of Chahid Ouali Bachir, at the Higher Military Aviation School in Tafraoui last Sunday. The ceremony which was attended by a number of high-ranking Second Military Region Officers, civilian officials from the Governorate of Oran, and members of officers' families, featured an address by Commander Abdelli, director of the school.

Mr Benfreha, for his part, presided at the ceremony marking the graduation of the seventh class at the Higher Maritime Institute. Minister of Transportation and Fisheries Salah Goudjil and Mr Mohamed Lyassine, director general of the CNAN [Algerian National Shipping Company], both members of the Central Committee, also were present at the ceremony.

It should be noted that this graduating class includes officers for ocean-going vessels, captains and engineers, as well as lieutenants, and, for the first time, fishing vessel owners. Citizens of other African countries were among the prizewinners this year.

In Touggourt, Commander Moussa Sekkoum, chief of the general staff of the Fourth Military Region, presided at the graduation ceremony for the 15th graduating class of national service noncommissioned officers at the training center yesterday morning.

5157

CSO: 4519/217

# INDUSTRY MINISTER DESCRIBES NEW PERSONNEL POLICIES

Manamah AL-ADWA' in Arabic 29 May 82 p 5

[Interview with Minister of Development and Industry Yusuf Ahmad al-Shirawi by Muhammad Qasim al-Shirawi; date and place not specified]

[Text] Mr Yusuf Ahmad al-Shirawi, the minister of development and industry and acting minister of state for Council of Ministers affairs, held a frank conversation with Muhammad Qasim al-Shirawi, the editor in chief, on the concerns and troubles of employees and administrative agencies in the government.

The man spoke about the causes which had made the government think of establishing a higher civil service council. His excellency's conversation also addressed itself to the circumstances and conditions of government employees in recent times, his opinion on their recent conditions and the developments and modifications which are expected to be introduced into the conditions of the administrative agencies in the ministries and the conditions of the employees themselves. AL-ADWA' did not fail to present any request for information or question that was being cited, or could be cited, by employees and their work supervisors to His Excellency Yusuf al-Shirawi, whose frankness in responding to them was greater than we had been anticipating. However, this did not prevent him from resorting to diplomacy in answering some questions, out of fear of causing embarrassment, especially when he wished to evaluate the recent experiment!

Here is a text of the conversation Mr Yusuf Ahmad al-Shirawi held:

[Question] Would your excellency be so kind, at the beginning of this conversation, to give a comprehensive idea of the role the Higher Civil Service Council will play and what made its establishment inevitable?

His excellency replied, "First, one must give a historic background of the civil service in general. Since its establishment, the government of Bahrain has had an agency concerned with the regulation of employee affairs, providing facilities with respect to their salaries, holidays, accomplishments and other employment benefits they received, as well as their commitments with respect to their positions. The Employee Affairs Agency at that time was primitive, and it was proportionate in size with the volume of government agencies at that time. That primitive agency was a consultative facility. Its work was then transferred to the Finance Department before independence, and it continued to be affiliated with the Ministry of Finance for a number of years."

His excellency said, "This is the preliminary background of what is today called the Employee Affairs Department."



"The second step occurred when the government apparatus expanded in general, and its responsibilities proliferated, broadened, became complicated and developed ramifications. This expansion created disruptions in job classifications, which also occurred when each ministry proceeded to set out its own requirements and worked to classify its internal positions, which also aggravated things and created discrepancies in civil service positions and discrepancies in the areas of competence and privileges of similar positions, as well as discrepancies in salaries and other job benefits."

#### It Was No Longer Acceptable

His excellency said, "Since that was no longer acceptable, the situation required the establishment of a ministerial committee which would be in charge of coordination in the area of the entire employment process in the early seventies, that is, directly after independence. This committee continued working until 1975, when the idea of transferring supervision of employee affairs over to the Ministry of State for Council of Ministers' Affairs arose. Through this change, the agency developed into a central unit. This unit classified civil service positions, determined their staffs and coordinated services and duties. The gap in differences and discrepancies in salaries and civil service benefits in all government ministries started to narrow. Thus staffs were unified in the case of all employees and positions were drawn more narrowly. This was successfully done through the efforts that my colleague and predecessor in the supervision of employee affairs, Mr Jawad Salim al-'Arid, made, and also through the expertise that was made available in organizing the Employee Department."

His excellency said, "Following the department's experience in the past 6 years, when I took personal responsibility for it, it became apparent to me personally that there was a need to form a higher committee under the chairmanship of his highness the prime minister to set out the general policy of the department, take the basic decisions and codify the statutes that had been made and everything directly related to government employees."

He said, "As I have stated, the Higher Civil Service Council's task is restricted to setting out general civil service policy. It approves basic statutes and re-evaluates matters whose negative features have been determined, so that they may be amended. Specifically, the council will assume the guise of the highest point of reference for Employee Department affairs, since it will be in charge of guiding the system, specifically of stimulating its activity."

#### Have We Benefited from Foreign Expertise?

[Question] To what extent has the department benefited from the expertise that has been offered for its development? Will these experts inevitably remain in the department for a long period?

[Answer] There is no doubt that the experts who have been involved have greatly benefited the civil service. A number of positions were spelled out and codified in each administrative unit in the government ministries, along with the existing workload and the number of positions needed to do this work. Also, annual vacations were regulated, benefits for positions in various staffs and various organizational charts were regulated, and the process of spontaneous employment which lax conduct in the past had engendered was controlled; it constituted a burden on government spending. In addition the units were assigned to provide housing for foreigners and determine such benefits as travel allowances, foreign residence allowances and so forth for them.

His excellency said, "more important than that, perhaps, has been the sending of employees abroad on training missions and the acquisition of scholarly accreditation in modern methods."

Are These Positive or Negative Features?

[Question] Does the department involve itself in limiting the government ministries' freedom of movement in the employment process to meet their requirements, in view of their expanded services? Has the department's delay in responding to these requests had its positive sides or has it brought negative results?

He said, "That is a very sensitive issue. It is very delicate. A frank statement is needed in dealing with this point specifically. The policy of giving free rein to the employment process, which had become slipshod in the various ministries of the government, is in conflict with the public interest, not to speak of its financial burdens. Leaving every ministry to hire as it sees fit and to determine the grades as it wishes is an improper, unsound procedure. The department proceeded to control this lax situation and limit excesses through its surveillance of employment and job categorization. I personally believe that this step was needed in the past and constituted a tentative stage in order to establish a kind of control and order to limit overemployment in the government system. However, I, personally, consider and support giving the minister the option of choosing his men and the type of person he wants cooperating with him. I consider that there must be flexibility in order to give the minister the freedom to choose and appoint employees, on condition that this flexibility not deviate from the general guidelines the department sets out."

His excellency said, "Perhaps the restoration of a kind of balance between the department and its right to supervise employment, and the ministries' basic right to choose its employees, may be a proper phenomenon reassuming to both sides. There should be no negligence or excess in monopolizing or encroaching on jurisdictions. The policy I will follow will arise from the evaluation I have described here."

He stated; "The past activity of limiting responses to the ministries' requirements produced negative effects. I do not believe that they were serious, because the scope for development in every government agency is present and enduring. The basis of the change I envisage is to keep the department from being turned with the passage of time into a petrified bureaucratic agency carrying out its employment laws, statutes and rules in isolation from the requirements of the government system and the requirements of expanded services combined with the enrichment of these services with new ideas and opinions and prime skills which must be made available for the benefit of public service. This balance will give the ministries concerned the ability to perform and develop their services in a better fashion and this will be beneficially reflected in the society of Bahrain. The department will remain the overseer, so that fantastic notions will not disrupt the desired balance in civil service."

Has Government Training Realized Its Goals?

[Question] Have the training courses which the Employee Affairs Department organized achieved their desired results?

He said, "The courses the department has organized may be broken down into two parts. One part is aimed at improving the performance of such supervisory and technical departments such as those of accounting, documentation, record retention and classification and other routine activities. This type of training, proceeding from the nature

of the acquisition of certain skills, is easy, in terms of preparation, execution and evaluation, since it is supposed to provide employees with certain requisite skills within narrow limits through short consecutive courses. Then there is the other type of training, which is concerned with filling executive centers and also leadership centers with Bahrainis. This entails sending senior employees abroad to acquire knowledge and enrol in regular educational courses to polish their expertise and talents and enrich their experience, enabling the people who are selected to occupy leadership positions in government agencies to act soundly and enriching persons with knowledge and wisdom to carry out the tasks that have been assigned to them competently and capably."

He stated, "I can say that it must be considered difficult to render judgment on the work that has been done, in view of the short life of the experiment, because this training, by virtue of its nature, does not produce results rapidly. In the light of what has been done, we will continue to evaluate this type of training in order to arrive at satisfying results, as regards the selection and accreditation of people occupying leadership positions in government agencies."

#### Employees' Grievances

[Question] Does your excellency believe that measures bearing on the presentation of employee grievances on supervisors which is followed now will have the effect of eliminating the grievances of the persons making the complaint? Many employees consider that the department takes the side of the management, not the employee.

[Answer] I am not in favor of having employees' grievances fail to get to the responsible persons. I say this from the premise of my knowledge and understanding of the political and social composition of the society of Bahrain in general. As long as any citizen can reach the guardian in his council and submit a letter to him describing his grievance, there is no fear that bureaucracy will be tyrannical or rundown any citizen's rights, whether the person submitting the grievance is a government employee or any ordinary citizen."

He said, "I endorse the statement which holds that the government of Bahrain is employing more than 20,000 persons today and that it is necessary to create an agency which will receive grievances and investigate them so that every person who is in the right will receive his rights. Nonetheless, the department, in general, according to my personal information and my current directives, must be more in sympathy with the employee, not with management."

#### A Head for the Employees' Department — Why?

[Question] What reasons have prompted the appointment of a head for the Employees' Department?

[Answer] The agency reached a size and responsibility which required that a man be available full time to run it and dispose of its affairs. Had our brother Jawad continued to be minister of state, he would have been recommended to be full time head of the department this year. However, what hastened this appointment was the fact that I personally carry out the functions of two ministries and do not have enough time to devote myself full time to the orderly disposition of the department's affairs and responsibilities.

Because of the importance of the position of the chairmanship of the department and the distinctive qualities and specifications that are required to manage it, in addition to patience, long-standing expertise and extensive experience, his highness the prime minister reviewed a list of persons possessing such qualities and specifications. Thus Shaykh 'Isa ibn 'Ali was chosen to occupy this position. One cannot dispute the fact that his lengthy service in the Ministry of Labor and then the Interior in passport and immigration affairs has put him in an excellent position to be chosen to assume charge of carrying out the department's responsibilities most fairly and honestly in the best manner.

#### The 10,000 Plan

[Question] What is the Department of Employees' role in carrying out the plan for 10,000 trainees, and what is the minister's view on this plan?

[Answer] The government of Bahrain has committed itself to this plan. The figure, which has been set at 10,000 trainees, is a goal we are trying to reach in cooperation with the public sector institutions that will be considerably helped if the plan is a success. Our duty is to convince these institutions and the employees of the benefits of this plan.

#### Difficulties?

[Question] What difficulties are obstructing the success of this plan?

[Answer] There are traditional difficulties accompanying any theoretical development plan for training people, in terms of their approaches and aspirations, the incentives they are to obtain and their evaluation of things. All these factors have a human character that one cannot control. However, in my opinion, the major difficulty that might stand in the way of the attainment of good, rapid results in the plan is the fact that it is aimed at raising the level of Bahraini workers through short, quick training periods, whereas the work areas that they occupy and the nature of this work do not bring them the increases in salary and satisfaction Bahraini workers aspire to. Bahraini workers can make a rapid shift to different jobs very easily and smoothly, since there are numerous areas in Bahrain. The country's press has exhausted this subject through its investigations and it has reported the data on it in thorough, exhaustive detail. It has also given it great coverage which is very different from the real situation that is to be experienced. It has been monitoring the discussion of this project from the day it first came into being. I would have hoped that the project had been given a chance to stand on its own two feet and be applied in quiet circumstances so that it could have offered positive results.

#### Whimsical Promotions

[Question] Charges have been raised and repeated to the effect that employees are promoted by whim and patronage, in the case of some groups, while other groups continue to shift about in their own places and can find no opportunity for promotion, since they have no helpers (active voice).

[Answer] In reality, I can assert that this impression is as old as the government of Bahrain. I personally heard it when there were no more than 3,000 government employees, or 15 percent of the current number. Frankly, I can also say that this is a natural phenomenon in a small society whose relationships are founded on family and tribal ties,

where the bonds of blood, family, friendship and comradeship all play an important role in employment and promotion. This is a common phenomenon in all areas of the world, but it stands out in small societies. I personally do not agree that there has been discrimination founded on specific factors. The promotion of employees generally takes place through the supervisor's evaluation of the subordinate, since the road to promotion comes through his good performance. If the supervisor has closely investigated the attributes which will permit his subordinate to be promoted, what will prevent him from promoting him? I am one of those who believe that scope for promotion is basically centered in the employee's ability, aspirations and ambitions.

He said, "Even if an employee feels that he has been wronged and has not been given an opportunity to advance, the situation in Bahrain will give him broad scope to obtain a better job with a higher salary.

"In addition to that, the ministries and the department have standards and criteria for evaluating the capabilities of every employee in the government, and there are many examples to show that many leadership positions in government agencies have been occupied by people who have no support or backing except their own competence, sincerity, perseverance in their work and their desire to advance."

#### New Grades and the Budget

[Question] The aspirations and needs of citizens sometimes reveal a need to create new positions in specific ministries. However, we find that the budget sometimes prevents that.

His excellency said, "The administrative structure and volume of labor in any ministry in the government are well known and agreed on. If the ministry wants to institute a new service or newly created positions, that will be subject to the following steps:

"1. Agreement should be reached between the ministry and the department on the type of service that is to be performed and the number of positions that are desired, their level, and the salaries related to them.

"2. These concepts and ideas should be converted into financial appraisals that are included in the ministry's budget for the year following the request.

"3. If the Council of Ministers approves the budget and the requested service in the ministry concerned, the minister can proceed to carry out the new program he has set out for his ministry. This issue is so sensitive, that the Council of Ministers spends much time reviewing the budgets of various government ministries, especially as far as wages, salaries and the number of people with new jobs go."

#### Overemployment

[Question] Since the early seventies, specifically the days of the National Assembly, criticisms have been repeatedly made on overemployment in the government. Statements have been repeatedly made asserting that there is such overemployment nowadays. What is your view on that?

[Answer] Overemployment is a phenomenon that can be found in the public sector of any country in the third world, especially countries that commit themselves to providing



work for those of its citizens who have graduated from university. Government employment has come to serve many goals, including the performance of duties and the exercise of a kind of public service. There are people who look upon such overemployment as a means for distributing revenue and absorbing unemployment. There might not be a pressing need to apply these goals I have referred to in Bahrain, since there is scope for work. However, it seems that government work is desirable, because it entails fewer hours of work and takes less effort. It also provides more generous guarantees for workers. The talk about transferring surpluses and redistributing employees among ministries is only easy from the theoretical standpoint; however, it is hard to apply in the best of cases and circumstances. On top of that, government positions have a specialized character and it is not easy to move employees from customs, immigration, civil aviation or communications to ministries whose nature of activity is different.

#### Women's Benefits

[Question] Many labor laws give women benefits, such as hours for nursing, rest during months of pregnancy and birth, and other benefits which realize social objectives. Does the department officially intend to grant this to women?

His excellency said, "On principle, I personally am against giving benefits to working women, because I consider that any benefits given to them, such as those for nursing and the pregnancy period (except for the specific days of giving birth), and all these humanitarian positions taken toward women, could prevent them from being employed, and that is the real injustice. Setting an hour for nursing at the end of the day is a matter that calls for ridicule because it is not laws, statutes or even women who set the nursing hours — rather, it is the child himself who does so."

[Question] Social and economic developments are taking place in government life. Does the Employee Department conduct a review aimed at narrowing the gap between salaries and changes in the cost of living and so forth?

[Answer] Job descriptions, staffs, particular details on all positions, and the development of civil service are constantly being reviewed. The changes in living standard you referred to compel the Employee Department to review people's salaries, because economic activity and international inflation affect the staffs that are connected to these positions. It is not a static process, rather it is a dynamic one that affects and is affected by the particular data on the economy in the country.

11887

CSO: 4404/528

SENIOR ECONOMIC COMMENTATOR GIVES VIEWS ON RECENT TRENDS

Cairo AKHBAR AL-YAWM in Arabic 5 Jun 82 P 8

/Article by Sa'id Sunbul: "Planning on Top of Pandemonium!"

/Test/ Some observers consider that the most important result produced by the economic conference was that it warned the government of the importance of planning and called on it to return to the planning system.

In these observers' opinion, planning was neglected in recent years. This has caused people to dissipate their powers and fragment their efforts, and billions of pounds were spent on projects which have not yielded the return that had been expected of them.

In the absence of planning, matters, by the description of Dr Ibrahim Hilmi 'Abd-al-Rahman, former minister of planning, have turned into pandemonium. What a difference there is between planning /takhtit/ and pandemonium /takhbit/!

Planning is the determination of resources and the proper use of these resources.

Pandemonium, however, is the abuse and squandering of resources.

The most blatant example of the abuse and squandering of resources are the projects which were started then suspended and have not been completed, since the requisite investments were not available for them.

There are hundreds of such examples on which the government has spent billions of pounds over past years which have not yet been completed!

There is a project on which work started 20 years ago that has not yet been completed, in spite of the tremendous amount of money that has been spent on it.

There are hospitals costing millions of pounds on which work began many years ago that have not yet been completed, since the requisite investments for finishing the work on them have not been made available!

The most flagrant example of this pandemonium is the Nasir Health Institute, which was established on a massive stretch of the Nile Corniche in Cairo. Millions of

pounds were spent on it, and its buildings were then converted into rubble, since the necessary money and investments were not available to complete it!

The Ministry of Planning, in the past 3 months, made a list of the projects on which work started but was not finished. It discovered that many of these projects were not listed in the development plans, that numerous bodies carried them out without consulting with the Planning /Ministry/, and then, when they failed to procure the necessary investments for these projects, left them uncompleted!

In the estimation of some observers, the completion of these unfinished projects will require investments of no less than 12 billion pounds--that is, almost as much money as government investments over the next 3 years!

That pandemonium has intensified the inflation and brought on a rise in prices. Billions of pounds have been spent in past years on projects that were not completed, that is, projects that have not yielded any revenue so far.

This means that there is money that has been spent, although the expenditures have not been matched by increased production. The inevitable result of this situation is an increase in the volume of inflation and consequently a rise in prices.

The damage has not been confined to increased rates of inflation. Rather, the damage has doubled, as a consequence of the fact that the costs of these projects have exceeded the estimates that were made on them when a start was made on them, because of the rise in prices.

Returning to planning and putting an end to this pandemonium has become an unavoidable necessity if these incongruous conditions are to be corrected, and this must be counted as one of the virtues of the economic conference.

Returning to planning does not mean government control of slaves, as was the case in the context of planning in the sixties.

Planning is, simply, the determination of resources and the proper use of resources. The day we start this planning the pandemonium will end!

11887

CSO: 4504/360



CENTRAL BANK DEPUTY GOVERNOR DISCUSSES FISCAL, CURRENCY POLICIES

Kuwait AL-SIYASAH in Arabic 12 May 82 p 7

[Interview with 'Ali Najm, deputy governor of the Central Bank of Egypt by AL-SIYASAH; date and place not specified]

[Text] Cairo--At a time when Egypt is passing through a very sensitive phase concerning its economic conditions and the reorganization and streamlining of the Egyptian economy on well-studied scientific bases--bases formulated jointly by numerous Egyptian capabilities and figures in various positions--we had to explore the opinion of the number one agency in charge of the Egyptian economy so that it might answer the questions and queries on the minds of the Egyptian citizens living abroad and on the minds of Arab investors wishing to invest in Egypt.

In the bank of banks and in the bastion of the Egyptian economy, we have conducted this interview with 'Ali Najm, deputy governor of the Central Bank of Egypt, the man known as the brain working within an oyster of silence and the one who prefers to work without noise. When we asked him to talk to AL-SIYASAH he said:

"I am ready. We will not forget AL-SIYASAH's position toward us in times of crises--positions that have been courageous. I am glad to address through AL-SIYASAH my Egyptian brothers in Kuwait and our Arab brothers and to answer any question concerning the Egyptian economy and Egypt's economic future, assuring everyone that Egypt is well and will continue to be well for the Egyptians and for our Arab brothers.

[Question] There is a situation of secret struggle between the four public banks, namely, the Egyptian National Bank, the Bank of Egypt, the Cairo Bank and the Alexandria Bank--a struggle demonstrated in the balance sheets published by these banks. Some banks have been eager to publish data showing that they hold the top position by focusing on one item in their balance. This leads to confusion and perplexity among the clients. What is the opinion of the Central Bank of Egypt and why has it not intervened to establish regulations for publication of bank balance sheets and to set a uniform pattern for these statements?

[Answer] There is no struggle and there is nothing secret because everything is made public. Another point is that these are state-owned public-sector banks and they distribute no dividends to shareholders. It is only a means of propaganda and advertisizing. Each bank focuses on the declared budget items so as to underline its activity. This does not at all affect the clients. The position of all of the banks seems to be good. They are, to start with, state-owned banks and there are regulations governing the announcement of their balance statements. There is, moreover, a uniform banking tradition followed by all of the banks. There is also the pattern published in the reports--a pattern agreed on within set rules.

[Question] In the report prepared by the Central Bank of currency and credit conditions in 1980-81, the bank does not deny that the game of gold revaluation has led to reducing the government's indebtedness to the Central Bank. Can you shed more light on this issue and how are losses dealt with in case gold prices decline?

[Answer] If gold prices fluctuate upward and downward, the world's central banks adopt trends that have been studied and select the safest and soundest of these trends. The evaluation process is one of selecting an equation consisting of a rate of 60-80 percent of the average international price of an ounce of gold in the last months of each fiscal year and comparing this percentage with the price of an ounce of gold on the day following the reevaluation, whichever is less. No less than 10 percent is deducted from this percentage to deal with any future eventualities. Consequently, there is no exaggeration or excess in evaluating the gold deposited as issue cover.

#### Government Implements Bank Recommendations

[Question] The Central Bank has recommended the adoption of numerous fiscal and currency policies to correct the Egyptian economy. What is the fate of these recommendations and do the authorities concerned abide by them?

[Answer] The Central Bank presents its annual report to the People's Assembly, with numerous recommendations concerning economic reform. Often, the government pays attention to and implements these recommendations. Most of the recommendations have dealt with freeing the management of the public sector companies, streamlining public spending, increasing tax revenues and reducing the budget deficit. The bank has also urged the boosting of the securities [market]. The bank also cooperates with the government in curtailing the use of short-term credits and in turning toward long-term credits. The bank has further urged the need to adjust interest rates in an attempt to attract savings and channel them toward investment. This is what has actually happened at the national level and what is reflected by the successive reports of the Central Bank.

#### Interest Rate for Pound

[Question] It is noticed that the policy of gradually increasing the interest rate paid for [savings] in the Egyptian pound indicates that, despite the successive hikes, interest rates for the pound are still below the level compatible with the drop in the pounds' purchasing power.

[Answer] The interest rate for the Egyptian pound has been raised from 5 percent to 12 percent tax-free interest. This policy of gradual increase is compatible with the circumstances of the Egyptian economy because a leap in the interest rates may affect the development rates in our country and could lead to discouraging investment or curtailing the investment rates, to inflation and to having to compensate the public-sector companies that abide by the price policy for unexpected losses. There is no doubt that the interest-rate policy adopted guarantees enhancement of the local savings and streamlines credit investment, along with guaranteeing a moderate rate of credit expansion that helps stabilize prices and bolster the [pound's] purchasing power.

#### Financing With Deficit

[Question] What is your evaluation of the measures adopted to curtail financing with deficits?

[Answer] Certain steps have been followed to curtail financing with deficits. But I believe that these means are still ineffective due to the continued dependence on the banking system to finance a large part of the deficit existing in the general budget due to uncontrollable reasons, the most significant of which are the implementation of ambitious development plans and the securing of increased reserves for the population under the canopy of population growth and Egypt's international, Arab and social obligations.

[Question] The constant and tangible rise in the international prices of food, raw materials and manufactured goods has its impact on the total sum paid for imports, thus causing the international exchange rates to go against Egypt. How is this problem tackled?

Moreover, the rise in import prices will result in an increase in the sum shouldered by the state to subsidize essential goods.

Don't you think that rising international prices will bring further inflation here? How can this inflation be curtailed?

[Answer] The constant rise in the price of food commodities--a rise that has an impact on the sums shouldered by the state to subsidize essential commodities--is being countered with efforts to reduce imports and to keep them within the limits of available resources. We also try to make ideal use of foreign currency resources and to channel them toward essential needs and development requirements. For this purpose, we use well-known means, such as customs fees and taxes, to reduce luxury and other imports. As for the investment projects, they are channeled toward the production of export goods or alternatives to imports. At the same time, facilities are offered for the importation of semiprocessed and production commodities needed for production activity and for expanding the food security projects. On the other hand, we encourage the export of unconventional goods and the opening of new markets for these goods and for industrial production.

[Question] What is the situation insofar as the remittances of Egyptians working abroad are concerned, and have these remittances increased or continued to decline? What has the state, represented in the Central Bank, done to enhance these remittances?

[Answer] The remittances started in 1968 with small sums, which have grown larger with the passage of time. These remittances have increased by a large percentage since 1979, amounting in June 1981 to \$2.5 billion, both in cash and in kind. However, the remittances experienced a drop during the September and October events--al-Sadat's assassination. But as soon as the situation stabilized, the remittances started to flow again and to rise gradually. We hope that these remittances will again turn normal as a result of the country's normal stability.

Loans--Where To?

[Question] What is the situation insofar as foreign obligations, loans and the repayment of interest due on original loans are concerned?

[Answer] Egypt is considered one of the best countries for repaying its foreign obligations. Since 1977, we have been making our repayments regularly, God be thanked. Egypt is the only Third World country repaying its obligations regularly.

Evaluation of Streamlining Measures

[Question] What is your evaluation of the measures to streamline imports without currency conversion and to stop transactions in foreign currency outside the framework of the banking system now that some time has passed since the implementation of these measures?

[Answer] The existing streamlining measures are proceeding in parallel lines to reduce the volume of imports, i.e., to reduce the demand for the dollar in various ways. It is hoped that we will achieve this goal--a goal we have examined in committees and in studies to implement the system of securing all imports by way of the local banks and to put an end to transactions in foreign currency outside the framework of the banking apparatus. This will stabilize the national currency exchange rates.

[Question] It is noted that despite the measures adopted, the dollar value has risen to 115 piasters. Why, and what is your analysis?

[Answer] I believe that there are psychological and speculative factors. Not a long time will pass before the situation returns to normal, because this situation is abnormal. There is another important factor, namely, that the high interest rate paid for the dollar stops people from selling [their dollars]. There are also the import demands of the investment companies and the remittance of these companies' profits [to the outside world], both of which constitute an immense factor in this phenomenon and in the lack of supply flexibility and expansion in the two seasons. There is also the supply and demand factor. All these are factors that play a role in the great fluctuation of exchange rates.

## Role of Foreign Banks

[Question] What is the Central Bank's evaluation of the foreign banks and have these banks achieved the desired goal of serving development in Egypt or have they just utilized the declining economic condition of the currency to enrich themselves at the expense of this currency, and are not the local banks capable of undertaking these operations?

What are the real reasons behind the Central Bank's recommendation that no new licenses be issued for branch offices of foreign or commercial banks?

What is the value of the capital contributed by the foreign banks to finance Egyptian economic development, industrialization, agricultural development and food security plan projects?

[Answer] This is a list of questions and not just one question. However, I can say that the factors of reassurance and stability have contributed to the foundation of foreign banks in Egypt. These banks have participated in some projects. But from our viewpoint, this participation has not been adequate. Yet, the truth is that these banks have played a major role in financing the foreign trade transactions and a relative role in financing economic development projects. It is obvious that we are planning for the future and that we supply economic feasibility studies on our economic projects to help tempt the foreign banks to contribute a bigger share than before to economic development projects. At present, the existing banks are enough. Should we find in the future that there is a potential for the formation of more banks, then we will examine the issue if there are tempting offers from Arab or international banks for investment and participation. There is no doubt that we will give consideration and attention to this point.

The value of the capital with which the foreign banks have participated amounted by the end of 1981 to nearly 750 million pounds, with a 70 percent increase over the preceding year.

## Extend of Success of Credit Policy

[Question] Now that 7 months have passed since application of the banking law to the Afro-Arab International Bank, the Nasir Bank and the Faysal Islamic Bank, what is the outcome of that decision and the extent of the success of the credit policy formulated by the Central Bank Board of Directors?

[Answer] Insofar as the Afro-Arab Bank is concerned, there has been the need to complete some registration procedures with the Central Bank. Steps are currently in progress to do the necessary registration. The bank is still operating with utter freedom and its activity is very broad.

As for the Faysal Islamic Bank, it is subject to the Egyptian credit banks law. But this bank was not subject to the foreign currency control law. In accordance with the law issued in this regard, the Faysal Bank has been subjected to the foreign currency control law.

The Central Bank's supervision of these laws undoubtedly serves implementation of the fiscal and currency policies formulated by the Central Bank to serve national development and to implement and complete the plan drawn up for this purpose.

#### Important Facilities for Egyptians Working Abroad

[Question] What are the facilities granted by the Central Bank and the other Egyptian banks to the savings of Egyptian working abroad and to attract these savings for investment in Egypt?

[Answer] Numerous facilities are granted by the Egyptian banking system and banks to the remittances of Egyptians working abroad, of which we will mention, for example, allowing Egyptians working abroad to own unlimited amounts of foreign currency, to open personal accounts with the Egyptian banks without any restrictions or conditions and allowing their savings and deposits in the Egyptian banks to earn the prevalent international interest rates, which is something that exists in no other country. They also have priority to manufactured goods, such as cars, electrical and household appliances and so forth.

They also have full freedom to transmit savings from and to Egypt without any restrictions or conditions.

8494

CSO: 4504/332

NATURE OF OPPOSITION PRESS REVIEWED

Cairo AKHBAR AL-YAWM in Arabic 5 Jun 82 p 9

/Article by Ahmad Abu-al-Fattuh: "The Grouping Party and the Political Vacuum"/

/Text/ Four weekly party newspapers are being issued in Egypt today:

MAYU, issued by the socialist National Party.

AL-AHRAR, issued by the Socialist Liberal Party.

AL-SHA'B, issued by the Socialist Labor Party.

AL-AHALI, issued by the National Progressive Unionist Grouping Party [NPUG].

The issuance of the three latter papers, in addition to MAYU, has inspired a sort of political activity which hardly existed during the period in which they did not appear, and has provided an opportunity for the presentation of adverse political views, in the place of a repression which leads to extremism. The undeniable fact is that everyone who believes that political freedom is a safety valve against all forms of extremism and a means for attaining the good of the nation welcomes and is pleased with the issuance of the three papers, and hopes that they will not be subjected to oppression and shutdowns under any pretext.

An Objective Glance

An objective glance at what the four party papers are publishing will reveal that the newspaper AL-AHALI is distinguished from its fellows by expressing a specific political and economic notion in every one of its lines and in every picture it draws.

An objective glance at what the newspaper MAYU is publishing will reveal that the newspaper is restricted to a defense of the National Party, though it is not concerned with expressing this party's political and economic policies, except in the case of one political matter, which is justification of the continuing constitutional and legal conditions inherited in their present form from the previous regime.

The newspapers AL-AHRAR and AL-SHA'B oppose the National Party and, in the political sphere, demand the elimination of all exceptional laws, the introduction of constitutional amendments and the grant of freedom to form parties and issue newspapers.

The two opposition papers' activity with respect to political freedom is apparent, but the two parties' political thinking and line consist almost solely of criticism of government conduct. Although that is a right and duty of opposition parties, it is not enough to clarify the political policy the two parties believe must be followed with respect to the economy.

#### The Difference in Opposition Papers

The obvious difference between AL-AHALI and AL-SHA'B and AL-AHRAR is that AL-AHALI has defined its goals and mobilized all the intellectuals and writers who believe in these goals to promote its ideas, which are all in service of the principles the party believes in, while AL-SHA'B and AL-AHRAR mobilize a number of major political writers and intellectuals who deal with political and economic issues in spite of differences in these writers' political lines.

For example, Dr Mahmud al-Qadi, writing in AL-AHRAR, expresses the belief that the public sector is the backbone of the Egyptian economy, and there is no doubt that the party's political line is opposed to that.

For example, Mr Fathi Radwan publishing his articles in AL-SHA'B, believes in the Iranian revolution's right to defend itself, while the Labor Party stresses Arab unity and most Arab countries stand by Iraq against Iran.

There are many examples which do not cast blame on the newspapers AL-AHRAR and AL-SHA'B, but to the contrary attest to a receptivity to freedom of opinions, however political approaches may differ.

The newspaper AL-AHALI for its part is not stingy in publishing news and articles about opposition political tendencies such as those of the Wafd and the Moslem Brothers. This need not mean that it lacks a receptivity to freedom of opinions; however, isn't one of the party's goals to "create a grouping," that is, to win the support of the greatest number of Egyptians, even though their political approaches might differ with those of the party leaders?

AL-AHALI's defense of the Wafd, the Brothers and other political attitudes is categorical proof of the political skill of the party leaders and people supervising the issuance of AL-AHALI, since the party and the paper are gaining the sympathies of a large segment of Egyptians who do not believe in the left or its principles.

Why?

Why do we interpret the differences of opinions in AL-AHRAR and AL-SHA'B as manifesting freedom of opinion while we interpret the fact that they are published in AL-AHALI as political skill?

The explanation is simple and evident:

The Grouping Party has specific, clear political goals; it is not remiss in calculating them and does not deviate from adhering to any segment of its policy, no matter what the enticements or the means of terror and oppression might be.



It is a left wing party which believes in leftist principles and friendship with the Soviet Union and the bloc of Communist countries.

If we imagine that a party were established for the Wafd or the Moslem Brothers, a clash would inevitably occur between them and the Grouping Party, owing to an inevitable conflict in political policy: the two parties do not believe in the far left.

#### The Grouping and the Political Vacuum

The greatest political beneficiary of the political conditions inhibiting the creation of party freedom and the freedom to issue papers is the Unionist Grouping Party.

The political vacuum, which makes it possible for it to obstruct anyone who does not follow the parties of the Socialist Union from forming a party, gives the Grouping Party the greatest opportunities to spread about its propaganda and propagate its principles, since its propaganda and the propagation of its principles are not exposed to party forces which the people believe to be sincere.

However much the proponents of existing conditions may want to turn this fact around, it remains an established fact. The people are not familiar with clear, specific political goals or economic principles in the case of the National Party, in spite of its agencies and party or "national" papers.

The parties of AL-SHA'B and AL-AHRAR oppose the government and can find no justification for devoting a part of their efforts to opposing the Grouping Party.

The exceptional laws, the ugly mistakes of liberalization, the continued state of emergency and the aggravated crises--all these and other things facilitate the Grouping Party's task of opposing the existing regime and at the same time they make it easy for it to promote its principles.

The majority of the people are suffering from grievous crises, and AL-AHALI newspaper addresses this majority. The political arena lacks a political party which has not had a part in contributing to the effort of the successive governments that have governed Egypt for 30 years and it does not believe that leftist principles are the fittest ones for saving Egypt from its crises. It also believes that a connection with Communist countries would be a connection with dictatorial regimes that usurp the rights and freedoms of peoples.

The stage is empty, and the emptiness of the stage is a blessing for the Grouping Party.

The National Party bears the responsibility for issuing all the exceptional laws, and its responsibilities will be intensified if it continues to preserve these laws.

The National Party must hasten to rectify the situation. The people will not agree to have the party rectify the situation by imposing further exceptional laws on the opposition parties.

For the National Party to rectify the situation it must immediately take the initiative of abrogating all exceptional laws, and thus a party will arise which will be able to stand up to the propaganda and principles of the Grouping Party in a context of freedom and open debate.

Perhaps the National Party also realizes that if it performs this national duty it will be able to prove to the Egyptians that it is not basing its leadership on the stiffness of exceptional laws but that it accepts the challenge which will give it political freedom.

11887

CSO: 4504/360

SUMMER WORK OPPORTUNITIES FOR COLLEGE STUDENTS DISCUSSED

Cairo AL-AHRAM in Arabic 26 May 82 p 8

[Article by Ahmad Husayn: "Utilizing Vanguard and Youth Capabilities During Summer; 8,000 Work Opportunities for College Students in 11 Ministries and in Construction Projects From July Until September"]

[Text] The Higher Youth and Sports Council has prepared a plan that seeks to utilize the capabilities of the vanguards and the youth during the summer season and 8,000 work opportunities have been secured for college students in 11 ministries and in a number of construction projects from July until next September. Nearly 1,436,000 students aged 8-30 will benefit from these projects. The plan will cost 10,345,000 pounds.

Jamal Nazim, the council's acting director, has stated that 21 religious and national camps will be set up, that Egyptian youth will exchange visits with the youth of eight other countries, that emphasis will be on youth projects in the Sinai and that college students will carry out seven projects to serve the environment around the universities. The acting director has also said that students wishing to take advantage of these opportunities can apply to the provincial youth directorates or to the General (Directorate) for College Youth Welfare.

Religious camps will be set aside for excelling youth vanguards. Through these camps, candidates will be selected for the pilgrimage and minor pilgrimage missions, which are organized by the council annually. It has been decided this year to set up five religious camps in Abu Qir, Port Said and Cairo. A total of 1,400 youths will benefit from these camps.

National and international camps will be set up for youth excelling in all kinds of public service. These camps will be set up at the sites of land reclamation and food security [projects] and are to train youth in agricultural work at national projects and projects for increased production. Five national and international camps will be set up in al-Tahrir Province, Abu Qir, 10 Ramadan City and the southern sector of al-Tahrir Province. The number of students to benefit from these camps will total 4,900.

The plan also calls for an exchange of visits between Egyptian youth and youth from the FRG, France, Belgium, Austria, Somalia, the PRC, Japan and Romania. The plan also calls for holding the fourth Egyptian-German youth week in Cairo and the second Egyptian-French youth week in Paris. The number of those to benefit from the youth exchange programs amounts to nearly 1,400 youths from among the youth vanguards and youth leaderships.

The plan also provides for 185,000 college students to participate in environmental service and illiteracy eradication projects, in planting trees alongside roads and in filling ditches; 99,000 pounds has been allocated for this purpose.

8494

CSO: 4504/332

## HIGH DAM LAKE FISHING THREATENED

Cairo THE EGYPTIAN GAZETTE in English 28 Jun 82 p 3

[Text] TONS of freshly-caught fish are rooting on the shores of the High Dam Lake because of the shortage of cold storage facilities on fishing ships. The quantity of bad fish exceeds 10 tons per day. A terrible waste of a valuable resource.

In the past, there was on the lake shore a primitive factory to process the bad fish and convert it into fodder for the poultry. It used to buy bad fish at a price ranging between PT 6 and 8 per kilo. However, its ineffective means of processing the fish soon forced the factory to close.

The Mistr-Aswah Fish Factory has had to undertake the processing of bad fish, particularly as this factory possesses modern equipment but a difference concerning prices with the Fishermen Society has culminated in throwing the bad fish daily on the shoreline of the lake causing a bad odour and pollution of the Nile.

Most annoying is that preliminary studies have recently revealed that the depths of the

lake do not contain as many fish as had been thought, which means, in view of the waste of 10 tons of fish daily, that the day when the fish wealth of the lake is to be completely exhausted is not far off.

A member of the Local Council, Mr Ahmed Yazid Ahmed, has said that we take from the lake but do not replenish it. We have to provide the lake with suitable fry, he said, as is done everywhere in the world. On a related matter, Mr Ahmed announced that Japan has constructed a \$3 million centre to conduct research on the Lake's fish supply and on other factors affecting fishing activities on the lake.

The Japanese Centre began the construction five months ago, said the Local Government Council member. The research centre will help authorities and fishermen know how to take care of the lake and utilise its resources well, Mr Ahmed said.

One of the striking facts concerning the fish population of the High Dam Lake has been

the practical disappearance of the famous boliti fish, Tilapia Niloticus, the weight of which used to range between five and eight kilos. This fish is almost extinct.

Instead of many boliti, there has been an increase in the lake of the savage Kishr Bayad, or Nile Perch which devours small fries placed into the lake from time to time. Preliminary studies regarding the cause of the boliti disappearance have shown that on catching big bolitis, the Nile Perch swallow their fries.

However, the studies underway are expected to upgrade the lake's facilities. As for the phenomenon of scarce fish in the depths, the long expanse of the lake over 500 kms. Somewhat compensates for this factor.

Out of this expanse, there is an area of lakefront of 150 km. situated in the Sudanese portion of the lake which is most productive because little fishing is done there. That is why its production increases by nearly 25 per cent annually Mr. Ahmed said. — GSS

CSO: 4500/227

## BRIEFS

APPEAL TO YOUTH--Al-Sharqiyah--His Eminence Grand Imam Shaykh Jad al-Haqq 'Ali Jad al-Haqq has urged Egypt's youth to utilize their summer vacation in activity beneficial to Egypt and to enhance Egypt's production. His eminence has also urged the formation of youth battalions in all positions so that they may participate in the building process, especially in the liberated Sinai. The shaykh of al-Azhar urged this while inaugurating a number of religious projects in Kafr al-Zaqaziq village, al-Sharqiyah Governorate, where his eminence delivered an address on the occasion urging the officials to reconsider the number of students who go abroad annually during the summer vacation and are compelled to accept work unbefitting them. The Shaykh of al-Azhar has also urged Muslims to follow the path of the Koran in all affairs of life because the Koran provides guidance for worship and for work. The projects inaugurated at the village have cost nearly a half million dollars and include various levels of al-Azhar institutes for boys and girls. His eminence also opened a veterinary unit in the village and laid the cornerstones for the [telephone] central and al-Azhar reading institute. His eminence was accompanied by Amin (Mitkis), al-Sharqiyah governor, and Dr al-Husayni Hashim, secretary of the Islamic Research Academy. [By Sana' 'Anan] [Text] [Cairo AL-AKHBAR in Arabic 21 May 82 p 1] 8494

YOUTH WELFARE CENTERS--The Ministry of Local Government has begun preparing a new youth welfare plan in implementation of President Husni Mubarak's instructions. Studies prepared by Muhammad Nabawi Isma'il, deputy prime minister for services and minister of local government, has shown that there are 1,055 villages without any welfare centers. Therefore, consideration will be given in preparing the plan to making full use of schools and unit complexes and to providing as much land as possible for the construction of centers that serve the youth in these villages. A role will be defined for every level in the governorate upon implementation of the plan. I have learned that the deputy prime minister for services has asked the local government agencies to channel a part of the ministry's joint revenues for youth and environmental service projects to encourage sanitation, road-paving, treatment and pest-control teams, to establish student-improvement classes, to print academic pamphlets and to focus on religious education by having mosque imams meet with the youth at mosque squares. Nabawi Isma'il, the minister of local government, has also asked the governors to encourage the enhancement of intrinsic efforts in the development and youth service so that small appropriations will not act as an obstacle to utilization of youth capabilities in the coming phase. [By Najwa 'Uways] [Text] [Cairo AKHBAR AL-YAWM in Arabic 22 May 82 p 6] 8494

TRAFFIC IN CAIRO--A report prepared by the Cairo Traffic Department warned that traffic movement in the central city was threatened by gridlock. The report, received by Cairo Governorate, said that the number of cars now licensed by the city Department totals 345,000 cars.--GSS [Text] [Cairo THE EGYPTIAN GAZETTE in English 27 Jun 82 p 2]

CSO: 4500/227

EXPORTING REVOLUTION SEEN AS CONTINUING PRIORITY

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 pp 2-4

[Text] The former Hyatt Hotel, ironically situated only a few blocks south of the notorious Evin prison in one of the best areas of Tehran, has nowadays been turned into a centre for terrorists from all over the world who live there along with their East German, Russian, North Korean and Arab instructors, according to the London-based weekly Post Iran.

Most of the terrorist residents of the hotel are common criminals and con-men who live lavishly at the expense of the Iranian government, the paper said. Some of them represent small groups of the so-called Islamic freedom fighters in predominantly non-Muslim countries. These guests in Tehran do not even speak for the minority Muslim communities of their countries. Freedom fighting has become a lucrative profession for them.

Post Iran estimates the Khomeini government spends \$80 million a year on these guests. They have access to goods and entertainment otherwise denied the people of Iran, such as drinks and western pop or jazz music. Apart from living so well, these guests receive training in the use of arms and other terrorist and subversive activities.

However, some of the guests are real terrorists who are determined to use the facilities provided by Iran to topple their regimes or create secessionist movements, such as the Philippines Islamic Movement.

And a few who do not actually live at this hotel are straightforward agents of Khomeini whose job is to create real trouble in the regional Arab countries. They are from Iraq, Bahrain and Saudi Arabia; some of them were born into Egyptian, Syrian and Palestinian immigrant families in Kuwait and Saudi Arabia. There are Zeydi Shias from the Yemen. Others may well have been born in Sunni families but they are neither Sunnis nor Shias; they are Khomeini's disciples and out of sheer opportunism or faith regard him as a new Islamic leader who has emerged to create a new Islamic empire.

Admittedly, Khomeini's prime objective is to extend his domain to Iraq and bring Najaf under his control. He would like to subjugate the main seat of Shia learning in Najaf to the Qom theological school. But there is no denying the fact that Khomeini and his aides are also interested in Kuwait,



Bahrain and Saudi Arabia. Their plan for world domination, therefore, aims at a gradual thrust into the oil-rich region of the Persian Gulf. Later they hope to bring Syria and Lebanon, too, under their domination, though at present they are friends of Hafez Assad.

Nehzat, the official organ of Shahpour Bakhtiar's National Iranian Resistance Movement, has on occasions said that Khomeini dreams of dominating the greater part of the Muslim world. A number of other exile groups, too, stress that not only Khomeini but his heir-apparent Montazeri have definite plans to export their revolution. Post Iran has written that Montazeri's assassinated son, Mohammad, known as Ringo the Shaikh, had written a treatise on his version of an Islamic empire with Syria and Lebanon as its centre.

However, some well-educated Iranians still in the country have told IPS that the export of revolution may well be a ploy by Khomeini to keep people busy and stifle their cries for a better life and more efficient administration inside the country.

"Khomeini is hardly qualified to rule a village," a highly sophisticated oil engineer, living in Tehran, told IPS. "His president and premier could not run a primary school and Rafsanjani is no more than an errand boy. They have made a mess of their rule in Iran; how can they rule a vast Islamic empire?" A planning expert told IPS that even "the mad Kaddafi" was more sophisticated and better qualified than Khomeini and his murderous mullahs. He said they must be crazy to dream of ruling an empire.

These educated Iranians inside the country are so disgusted by the Khomeini rule and contemptuous of his half-literate clerics and lay administrators, that they tend to overlook their capabilities. They may be crazy, but crazy people are capable of crazy dreams. Moreover, Khomeini has ascended to the Peacock Throne so easily and so unexpectedly that he now believes that if he could topple the mighty Shah he can topple others.

The lack of qualification and of attachment to reason is, therefore, hardly a constraint on them embarking on exporting their destructive creed to other countries. And, indeed, they are masters in creating terror, demoralising troops and confusing issues.

An astonishing characteristic of Khomeini and his mullahs has been their single-mindedness in proposing seemingly impossible and impractical projects and yet showing determination in achieving them. For instance, when they propose the creation of an international revolutionary army under a unified command, their proposal seems impractical under present circumstances and everybody takes it as a bluff designed to divert people's attention from daily problems at home. This may well be so; but somehow they often do make an effort to match their words with deeds. They know they must divert the attention of the people from demanding things they cannot do. The best course of action is to do things they can do. That is, to embark on subversive activities.

It is clear that Khomeini regards himself as not merely the shepherd of his flock, but the supreme protector of faith on earth. In other words, Khomeini does not confine his spiritual guidance and therefore his political leadership to Iranians or to the Shias; he projects himself as the deputy to the hidden Mahdi and, as such, the appointee of God on earth.

And his mullahs, through their propaganda machinery, are busy building up his image as such for the masses of the whole world. To us such image-building is ridiculous; but he and his supporters take it seriously.

That is why, when on one occasion during the hostage crisis he was talking to the Pope's representative, he constantly referred to the Pope as "Mr. Pope." At the time many people attributed such a reference to Khomeini's impoliteness and his ignorance of the rules of protocol. But that was not so; if Khomeini is aware of the importance of protocol regarding himself and his gun-slinging mullahs, if he is careful to address half-literate mullahs he appoints as Friday prayer leaders by un-Islamic and un-revolutionary titles of Hojjataleslam and the like, how come he does not know of the proper manner to address the Pope who, after all, is a fellow priest, if from a different church?

The fact is that Khomeini was perfectly aware of the proper way to address the Pope but he did not want to call him "His Holiness," because this is one title which he reserves for himself and nobody else, not even priests of other faiths.

So he regards himself as the sole religious leader of the world; however, for practical reasons he starts off his mission with Muslims, whether Sunnis or Shias and in due time he will extend his claim to non-Muslims by calling on them to embrace his faith.

Ever since he assumed the mantle of leadership he has been careful not to limit his religious addresses to the Shias. He makes use of those Shia tenets which serve his political purpose of building up for him an absolute right to dictate and direct; then he enlarges them to cover the entire Muslim world. Already Montazeri and others have said that he is the leader of all Muslims and not merely of Shias.

It is in his capacity as the one and only priest of all Muslims that Khomeini takes up various topics and calls on the political leaders of Saudi Arabia and other Arab countries to adhere to Islam or to sever their links with America.

When he addresses himself to other Muslim leaders he gives an unmistakable air of speaking not as their equals but as superior to them. This sense of superiority is not based on the fact that he is the leader of a larger and stronger country (though these are exploited for practical reasons) but because he is the ruling guardian of the faith. It is, therefore, naive to think that he directs his subversive activities through Shia communities only; rather he has come to symbolise all Muslim fundamentalism.

Behind all this, Khomeini and his bunch are also greatly motivated by greed and an earthly passion to expand their domain. So they are not interested in poor Pakistan and Afghanistan, rather they have pinned their hopes on the wealthy oil-rich states. They dream of laying their hands on the Middle East oil, not to exploit it for Iran, as old colonial powers did for the mother country, but for their plans to dominate the world.

In this situation the mullahs are being encouraged by the Soviets, radical regimes in the Arab world and even extremists such as the Muslim Brotherhood, who are trying to win Khomeini to their side and away from Assad's regime.

The Soviets would naturally love to see the region in turmoil so, for the time being at least, Khomeini's subversive action helps them. As for opposition groups inside the regional countries one must not forget that even though they may have doubts about Khomeini's primitive style of governing, they find his help and generosity to them in their subversive work highly attractive. So there is a unity of aim between Khomeini and any other group whose interests lie in the destabilisation of the region.

CSO: 4600/639

# DOUBTS EXPRESSED OVER TEHRAN'S ANTI-SOVIET STANCE

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 pp 4-5

[Text] The Khomeini regime has adopted a new tough stand against Soviet bloc sympathisers, according to latest reports from Iran. The authorities were also reported to have shown determination in cracking down on known members of the Tudeh Party in the administration.

The most obvious anti-Soviet utterance recently was from Khomeini himself in a speech on the eve of the holy month of Ramazan, in which he said the Israeli invasion of Lebanon was an American plot to prop up support for Iraqi president Hussain. He then said that the Americans feared the removal of Saddam Hussain might create a vacuum which the Soviets would like to exploit.

Khomeini used a slang derogatory term which means a mischievous but doomed attempt when referring to Soviet hopes. The actual word is "ghalat." He said the Americans fear, in the absence of Saddam, the Soviets may do some "ghalat" in the region.

Tehran radio on several occasions made what may be called half-hearted attempts to blame the Russians for failing to come to Syria's help in the face of Israeli attacks.

A third indication of Tehran's attitude was the refusal by the Khomeini representative in Geneva to attend indirect talks between the representatives of the Babrak Karmal Afghan government and those of the neighbouring Iran and Pakistan. Iran's foreign ministry said that the Kabul regime did not represent the Muslim people of Afghanistan and therefore there could be no talks with them. This was played up to mean that the Khomeini regime was anti-Soviet.

Yet it is known that the regime had in fact sent an official to Geneva to be present at the talks and that the Pakistani officials were regularly informing the Khomeini man in Geneva of the course of their discussions.

Finally, there was a report in the papers two weeks ago on a raid by the revolutionary guards against a "safe" house of the non-Islamic leftists. The report briefly said that at the safe house printing machines belonging

to the Fedayeen-e-Khalq, Tudeh and other leftist groups were found and confiscated.

The inclusion of the name of the Tudeh was taken to mean that the pro-Moscow communist party no longer enjoys the prized privilege of being the only non-Islamic political organisation with a legal presence in Iran. This report was followed by a bill which Minister of Interior Nateq-Noori presented to the Majlis on the activities of the political parties. The bill stipulates that the existing political parties must now adjust their position with new regulations. Since no political party other than Tudeh remains "legally" active (except for government-sponsored ones) it is taken that the new bill would curb the Tudeh Party activities. One so-called liberal Majlis deputy, Akbar Moinfar, who is a political ally of Bazargan, was quoted as saying that the bill would restrict not only Bazargan's political activities but also that of Tudeh.

Some Iranian merchants in Europe who are still doing business with Iran argue that these moves are clear indicators that Khomeini and his mullahs are no longer friends of Moscow. One such merchant in Hamburg told IPS that any official known to be close to the Tudeh is instantly removed from his post. He would not name any particular Tudeh officials who have recently been removed, however, as evidence that his information was accurate.

However, sources inside Tehran claim that these merchants were apologists of the regime and that because they had acquired vested interests in Iran today they were trying to give an anti-communist image to Khomeini in order to neutralise the exile opposition's contentions that Iran was drifting towards the Soviets.

"Khomeini's anti-communist crack-down is a lot of words and no action," one opponent of the regime inside Iran said. "The Tudeh has placed thousands of its bearded agents in the administration and the ignorant mullahs have no way of screening them."

Another source said: "These Tudeh agents look like hezbollahis, smell like hezbollahis and behave like them. It is difficult to tell a hezbollahi from a Tudeh agent in a crowd. They grow beards, they refer to Khomeini as the Imam and they participate in communal prayers at government offices though they may drink their arak in private. So Khomeini is never going to be able to dislodge them from his administration."

Indeed, some of the opponents of the regime argue that Tudeh agents have penetrated the ranks of the revolutionary guards and the army. Some army officers purged by the Shah's regime because of their Tudeh ties are now back in the service, they say. Hundreds of Tudeh members who used to live in East Europe were issued with passports not only for themselves but also for their East European wives and children by the Islamic authorities and they are now back in Iran, former diplomats say. There is also a widespread belief that the present administration is functioning thanks to the presence in offices of Tudeh members who have survived numerous purges.

They say that almost everybody who had some expertise was purged by the Islamic zealots. Only the Tudeh managed to save its members. If some are not as qualified as those who were purged they are more practical and effective than the Islamic zealots and hezbollahis, it is contended.

Finally, the opponents of the regime refer to the existence of a high number of Soviet, East German, Romanian and North Korean personnel in Iran as proof that the Khomeini regime is much closer to the East bloc countries than Khomeini is ready to admit.

"Life under Khomeini's thugs is little different in quality than life under Pishavari's regime in Azarbaijan in 1945," an old hand anti-communist Azarbaijani said.

CSO: 4600/639

SILENCE OF WEST ON ABUSE OF IRANIAN WOMEN CONDEMNED

London IRAN PRESS SERVICE in English No 77, 24 Jun 82 p 8

[Letter by Niloufar Akbari]

[Text] I have written so many letters to the press in Europe without having one published that I am trying to find a more sympathetic place to have my voice heard. Perhaps you would allow me as an Iranian woman to ask the women's organisations here in the West why they are so silent about the fate of my women compatriots, especially those young ones who have been dragged off to prisons for offences like distributing literature and who have, according to widespread reports in the media, been given as prostitutes for Khomeini's thugs because they have been condemned as "enemies of Islam" and will later be executed.

I read in the papers every day articles about the offence given to women in offices here by innuendo and gesture by men. This, albeit disgusting, is offence of the mildest kind, nothing to the abuse of women sexually by force in the name of religion. Yet newspapers find it hard to find space to mention the horrors going on in Iran, though the moment Talbot or some other British firm signs a contract with Iranian officials there are big headlines and exultation.

What are we Near Eastern women, suffering for centuries under a so-called religion which openly treats us with contempt, to make of our Western sisters when they stay quiet not merely about this but about a degradation of our sex in Iran which one would have thought would have horrified the women's rights groups in Britain? Do our Western sisters condone this rape of young women in jail because they feel they must not criticise Islam? Could they really be so unprincipled that they would even consider accepting such revolting practises even if it were countenanced by a faith of any kind?

Is it any wonder that all the talk we hear of fighting for human rights and democracy in the Falklands islands sounds hollow to us when such a revolting debasement of women is allowed to go on in Iran without utter condemnation. We had hoped for better from a country in which women hold two of the most honoured positions.

CSO: 4600/625

## LETTERS CRITICIZE ISLAMIC REPUBLIC

### Export of Revolution

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 pp 9-10

[Letter from Piruz Mojtahedzadeh]

[Text] Sir: Khomeini's rejection of Saddam Hussain's offer to withdraw Iraqi troops from the occupied territories in Iran as the condition for a ceasefire between the two countries is not surprising.

As Khomeini himself says, the withdrawal of Iraqi troops from Iran is probably the most insignificant of the conditions laid down by the Tehran regime, and therefore, it will not satisfy the adventurism of the Islamic Republic.

Khomeini has laid down other conditions for peace with Iraq, of which only one is his main and ultimate aim. And that is the identification and punishment of the aggressor, in other words ousting the Iraqi regime and installing a Shi'ite Islamic Republic, a barbaric and religiously fascist regime akin to his own, in its place.

It is also worth noting that Khomeini is not demanding Saddam Hussain's downfall out of vengeance of personal enmity. He merely wants to fulfil his main ambition of exporting his backward revolution, and creating a united Islamic nation throughout the world.

The constitutional law of Khomeini's Islamic Republic dictates, in clear terms, the fascist drive towards the creation of world Islamic dominion. The foreword of this constitutional law reads: "...considering the contents of Iran's Islamic Revolution, which is a move for the victory of all the enfeebled over the arrogant, this constitutional law provides the basis for the continuation of this revolution both inside and outside the country, especially in international relations; together with other Islamic and popular movements, it tries to pave the way for the creation of the World United Islamic Ummat (nation)..."

Here the term "World Islamic Ummat or nation" does not refer to the world of Islam only. Rather it means that with the help of other Islamic and



popular (non Islamic) movements, Khomeini wants to create a dominion of the whole world ruled by barbarous mullahs.

Readers may laugh at this obviously arrogant and fascist design. But I would like to remind them that our fathers, too, once laughed at Hitler's fascist designs for the world, and continued to laugh until it became a serious threat to world peace and brought tears to the eyes of so many millions.

Khomeini has made no promise that he has not fulfilled, and knowing him as we Iranians do, he is prepared to sacrifice 38 million oppressed and terrorised people of Iran to achieve his goal. That is, unless world opinion is moved against him and his religious fascism.

### Stoning of Women

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 p 10

[Letter from Maryam Mehr-dadi]

[Text] Sir: The letter from Niloufar Akbari on the fate of Iranian women is timely, for July 2 is the anniversary of the stoning to death of an Iranian woman at Kerman in eastern Iran by the brutal mullahs. We should also remember the fate of a former woman minister of education, Farrokhru Parsa, who was enclosed in a sack when executed soon after the mullahs took over so that the executioners would not see her naked limbs afterwards.

The women of the western world, preoccupied with their sex lives and personal liberties, found these events of little interest and barely worthy of comment. "What can we do?" they bleat out to us. Yet we are supposed to weep over their sons and husbands' hardships in the Falklands, if we are to adjudge from the emotions blasted at us from television and the press here. What our weeping does, we don't know. We are quite willing, as women, to support them against the use of force by fascist regimes and applaud the principle on which the men fought in the Falklands.

On the question of principle it seems a pity to those of us who want to see a merciful, civilised interpretation of Islam in our countries that the leaders of the Christian world do not take up with Muslim religious leaders the primitive interpretation of the Muslim faith in some countries. If westerners and Christians in general really believe in human rights then the practice of stoning to death, now being reintroduced in Pakistan and used in countries which are close to the West in the Persian Gulf, along with the abasement of women, should surely be things against which decent people should fight. How can any faith be worthy of the name if it decrees such bestiality and inhuman inequality? We could respect the Archbishop of Canterbury for his principle in kissing a pig, even though giving great offence to Muslims in his country, if he would also extend his principles to condemning those aspects of Islam which are revolting to every human being, even the majority who call themselves Muslim. If then he comes to slaughtering a cow on television as a demonstration of principle to Britain's Hindu community then we will applaud him again for his rational approach to things.

CSO: 4600/639

# SIGNS OF GROWING PUBLIC PRESSURE ON MULLAHS

London IRAN PRESS SERVICE in English No 77, 24 Jun 82 pp 1-3

[Text] Though Ayatollah Khomeini and other leading figures of the regime in Tehran were as obdurate as ever about conditions for ending the war with Iraq the signs of an inexorable build-up of pressure on them from the public were more evident than ever this week.

Khomeini alleged that Saddam Hussain's offer to withdraw his troops from Iranian territory was part of the most dangerous plot America had yet hatched against the Islamic Republic. This was an evident attempt to persuade the public that it should not see this as much of a concession.

At the same time he felt impelled for the first time not only to defend the mullahs' monopolising of the top jobs in the country, but also the reason why he and his fellow clerics had not kept their promise to confine themselves to spiritual leadership. This was seen by analysts as a clear sign that criticism of the clerical regime had reached such a point that the supreme head himself, always contemptuous of such criticisms in the past, had to take them seriously.

Khomeini admitted he had said that the clergy were not going to rule directly in Iran, but contended that on his return to Iran the executive power had been given to lay figures but they had proved unable to carry out their job (presumably a reference to the provisional government led by Mehdi Bazargan). This was why the clergy had had to take over the positions, he said.

His use of expressions like "Akhoundi government," the common jibes of critics of the regime, during his long rambling speech to President Khamenei, Majlis Speaker Hashemi Rafsanjani, premier Mussavi and Ayatollah Mahdavi-Kani among other clerical visitors on the opening of the holy month of Ramadan, showed his aides had told him what the public was saying. Akhound is a rather derogatory way of referring to the clergy.

Khomeini told his listeners that if they could bring to him a layman who would make a better president than Ali Khamenei he would give him the job. The same went for the other posts held by the clergy. "But you can't find better people," he said defiantly, repeating this latter with obvious confidence it could not be disputed.

Khomeini warned his listeners that they must pay great attention to the American plot of which Saddam Hussain's withdrawal offer and Begin's attack on Lebanon formed part. His language showed he was raising this as a means of replying to demands that negotiations for a ceasefire and an end to the war should begin. The ayatollah said the western press had stopped writing about the war and Iran's victory because they had been told to stop by the Americans and their stooges. They wanted to fool Iran into thinking they no longer cared about the Persian Gulf.

He said Iran would help the Palestinians and the route to Lebanon was through Iraq. Later Hashemi Rafsanjani echoed this in a speech when he said the road to free Jerusalem must be via Karbala (the Shia holy shrine in Iraq).

Khomeini pointed out that withdrawal of Iraqi troops was only one of the conditions set by Iran for ending the war. Others included reparations, and the amount of these, he repeated, must be decided by an international commission. He was derisory about Saddam. "He is a fool," he said. "He cannot think straight and he is illiterate. His education was to the level of primary school so the Americans wrote his speech for him and gave it to him to read. But he couldn't even read it properly."

But Khomeini told his listeners they must read the speech—"for it is important to know what the Americans are saying," he added darkly.

Speeches by other regime figures have also reflected their concern to keep the public's mind on events taking place in other parts of the Middle East. Ayatollah Montazeri called for more demonstrations against imperialism. Others, too, continued to warn that the Americans were planning a new "plot."

Sources in Tehran said it was felt the mullahs were anxious in view of the rising tide of criticism over loss of life and shortages, to keep the public attention diverted as far as possible from problems at home. Though considerable sums in cash from oil sales are now beginning to come in, it will be some time before the present shortages can be remedied, and much of the money is badly needed to keep the regime's policies for spread of the revolution afloat. Foreign Minister Ali Akbar Velayati was at pains to assure Iranians that the costs of sending an Iranian force to Damascus to fight in Lebanon would come from the already approved war budget. No new one would be needed.

"It is obviously hoped that with the restarting of some development projects and the revival of trade people will stop criticising the regime so strongly," one analyst said. "Already trade is obviously growing and the foreign companies are as assiduous as ever in trying to get new contracts going. Even one or two American companies are trading again."

"It is felt here in Tehran that the failure of the opposition groups to reduce the extremism of the regime means that western governments see the extension of trading links and a return to some sort of prosperity as the

most likely way to build up social factions who might want to push out the mullahs to stop them taking the main profits out of commerce.

"But the problem with this is that the regime will syphon off every rial it can to subsidise its cherished plans to subvert the Persian Gulf states and other neighbouring countries. So before any friends of the West here feel strong enough to do anything the mullahs may have tasted first blood in the Arab world and have once again whipped up euphoria for revolution among the mass of the people. The speeches of the past week reflect the desperation of the mullahs to get through this particular period when there really isn't enough money for their plans at home or abroad."

A strong clue to one line the mullahs will take in their subversion plans came this week when Montazeri referred to an "Islamic faghih" in remarks during an interview. He did not suggest the Shia concept of faghih (supreme religious authority) which sees each spiritual leader to be on the same level, none being seen as above any other. But the concept of an Islamic faghih, a supreme religious head (presumably Khomeini) would be a powerful weapon for the Iranian mullahs among the religious communities of the neighbouring states.

Sources in Tehran have confirmed the evidence of defecting diplomats that large numbers of nationals of Mid-East countries are now training in Iran for subversive activities back home. They say that the fact that these activities have not been affected by the cuts in expenditure in many other fields suggests that possibly Libya helps underwrite many of these expenses.

Meanwhile Tehran kept up its attacks this week on Saudi Arabia, alleging that King Fahd was in touch with "mafia" elements in the United States and that Crown Prince Abdullah already represented a threat to the new king. Radio Iran said Abdullah had a great many followers, hinting that Abdullah's views were nearer to those of the fundamentalists and he might use them against Fahd one day. Arab sources said western commentators were making too much of the fact that Abdullah had been made Crown Prince "against Fahd's real preferences." "Blood in the House of Saud is thicker than oil," one said.

The same sources scoffed at some western hints that resentment of Fahd's pro-western views and the fundamentalists' dislike of him in Saudi Arabia could lead to the Saudi technocrat and merchant class looking to oil minister Yamani or some other of their number to displace the royal house. "Yamani and his kind will be much more at home with a pragmatic man like Fahd than with Khaled," they pointed out. "They have learned the lesson of Iran, too. They know they will be swept away with any torrent that inundates the Saud family, just as the educated classes and nationalists were swept away in Iran.

"Fundamentalism means exactly what the term implies. The westerners may see liberals under every bed but it's a mirage."

In the economic field Iranian officials showed their impatience with the Japanese over the failure to come to agreement over continuation of the Bandar Shahpour petrochemicals project when they threatened publicly once more to ask Eastern Europeans to take it over. But East German experts are already reported to have told the Iranians that only the Japanese can finish the complicated, already-two-thirds completed project.

Business sources in London reported that letters of credit are now coming out of Iran again and trade is beginning to show definite signs of revival.

"A great deal of the oil, such as that sold to Syria, Turkey and India, is being paid for in goods or services, but it is estimated cash sales may be at the rate of 700,000 barrels a day by now," a representative of one firm involved in the Iran market told IPS. "There are plenty of contacts between Tehran and foreign suppliers at the moment."

Prime Minister Mir-Hussain Mussavi, talking to a seminar on cooperatives in Tehran this week, said Iran had political stability and that was more important than economic security. He congratulated the Ministry of Commerce on "pioneering" ways of obtaining and distributing vital goods and said the possibility of profiteering had been eliminated.

The Tehran newspapers this week, however, tended to contradict some of the premier's remarks. There was an article in the daily Kayhan urging the necessity to eliminate profiteering and giving details to illustrate the irregularities.

And the continuing violence against middle-grade regime officials is reported daily in the press. In one day last week the main Tehran newspapers reported three attacks and many others still go unreported. The toll is heavy on both sides, guards and attackers being shot down in many of the attacks. Trucks and other vehicles carrying revolutionary guards are now a common target.

The government also claimed the arrest this week of one of the leaders of the Qashqai tribe of southern Iran, who have been said to be resisting the regime. Tehran Radio said Khosrow Qashqai had been captured with 10 others. The arrest of General Mehdi Alavi-Moghadam, police chief after the fall of Mohammad Mossadeq in 1953, was also announced.

CSO: 4600/625

NO JOKES ABOUT REVOLUTION, TABRIZIS ARE TOLD

London IRAN PRESS SERVICE in English No 77, 24 Jun 82 pp 5, 6

[Text] President of the supreme court Mussavi-Ardabili and minister for heavy industry Behzad Nabavi visited East Azarbaijan province last week amid reports of unrest and turmoil in that region. Reports indicated that revolutionary guards from Sunni provinces had been brought to Tabriz to reinforce local forces loyal to Khomeini against a feared uprising by opponents of the regime.

Mussavi-Ardabili, who ranks equal in Iran's present hierarchy to president Khamenei and Majlis speaker Rafsanjani, was sent to the area to calm the restive populace, who are angry with the way Khomeini's men have treated Ayatollah Shariatmadari and his followers. Mussavi-Ardabili, who is a native of Azarbaijan, went out of his way to appear benevolent to the people of Tabriz.

However, during a speech to the Tabriz garrison he told army officers and other ranks, "Any kind of verbal opposition to our revolution, even in a humorous manner, cannot be tolerated."

But when he was faced with angry faces he added: "Of course, you may engage in constructive criticism but Islam is sacred and cannot be a topic for conjecture."

Nabavi, for his part, toured the city's heavy industry and talked to workers. He took up an anti-American theme in his speeches and at one point he said that during the reign of the Shah there were many Western experts working in these factories, which had none after the revolution.

His efforts to try to prove that industrial output was now higher than that during the Shah's period indicated that the Islamic authorities are concerned about a rising tide of anti-regime sentiments in East Azarbaijan, whose local people are devout Muslims and very hard-working.

East Azarbaijan has been invaded three times by Russian troops this century. In 1946 the Soviets installed a puppet communist government before leaving, but when the central government decided to send in the army, local Tabrizis overthrew the communist set-up before the army had time to reach the city.

CSO: 4600/625

# RIOTS REPORTED IN REFUGEE CAMPS

London IRAN PRESS SERVICE in English No 77, 24 Jun 82 pp 4, 5

[Text] The regime in Tehran is paying increasing attention to the reconstruction of war-devastated areas. Last week Ettelaat reported that 7,000 million rials had been allocated to a project to provide basic services in the liberated areas of Khuzestan. It also reported that 12,500 million rials would be spent on re-settlement of the original population of these areas.

Publication of such figures usually does not arouse much interest in Iran because people have come to know by experience that the Islamic government never actually provides large sums of money for any project. The usual practice is to assign a mullah to take charge of affairs. He would then ask for money on a piecemeal basis. Thus claims that so much money is allocated to resettlement of the war refugees are seen simply as propaganda ploys by the regime.

Nevertheless, there is no doubt that the authorities are finding themselves compelled to pay at least lip service to the need for the reconstruction of the devastated areas, and also for rehabilitation of several million people who have lost their homes due to war.

According to reports from inside Iran, earlier reports that the reconstruction efforts were to be monopolised by the mullahs deeply alarmed the former residents of the formerly occupied areas. They feared that they might never be allowed to go back to their homes and that their land and other means of livelihood would be used to create Israel-like "kibbutzim" in the border areas.

The same sources said that there were widespread riots in camps in which war refugees are staying. On at least one occasion in Bushehr local revolutionary guards had refused to open fire on the demonstrating refugees despite the fact that they shouted degrading slogans calling Khomeini a butcher, a murderer and a plunderer.

It is now known how agitation among the war refugees began. It seems the refugees were entertaining the notion that once the authorities receive huge reparations money from the Arab emirates they would parcel out part

of the mooted 150 billion dollars among those who have lost homes, farms and other possessions.

When it was learned that the question of reparations was by no means settled and that the government intended to continue the war longer, possibly moving into Iraq, the refugees began to fear that they would not receive any money. Then rumours circulated that they would never be allowed to go back because their villages and towns would be settled by the so-called hezbollahis and widows of the martyrs.

These rumours gained credibility when the government announced that residents should not go back to their homes on their own and must await further instructions. The refugees, already a highly suspicious group who resent the mullahs, resorted to rioting and in some cases vandalism to show their anger.

The mullahs had to put out several statements on their plans to re-settle the refugees in their original areas in an effort to calm them. Later, Khomeini instructed Mullah Vaez-Tabasi, who controls the enormous treasury of the Imam Reza Shrine at Mashad, to allocate some money from his office for several low-cost crash development projects for Hoveiseh. One project includes restoration of the town's water system.

Sources inside Iran stress that the rioting by the war refugees underlines public opposition to Khomeini's policy of continuing the war with Iraq. Many refugees were reported to have shouted that, though prime victims of Saddam's aggression, they would forgive him if only he would compensate them for the damage he had inflicted on them. But they were told the reason for the war was Islam, and not the welfare of the refugees. It was at this point that the refugees began to shout obscene remarks against Khomeini.

As usual the mullah-controlled media did not report the riots; but the Tehran daily Ettelaat referred to the affair in an oblique manner by printing a report on allocation of funds for the rehabilitation of refugees. Since the credibility of the mullah-controlled media is very low, Ettelaat's report did not help to calm down the refugees.

The mullahs have also begun to remind the refugees that they have no individual claims to war reparations. Delivering a sermon in Bushehr this week a young mullah from Qom reminded the refugees that it was the blood of the followers of the Party of God which pushed the enemy out of the occupied areas.

"The most faithful of you simply gave your daily prayers but did nothing else," he was quoted as having said. "But many of you did not even attend your prayers. You cannot claim the credit for victory. We gave our blood to fight the Zionist-Baathist men of Saddam. We gave our blood not simply to provide homes for you but to raise the banner of Islam."

CSO: 4600/625



# UK ALLEGEDLY DEPORTING IRANIANS TO IRAN

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 pp 6-7

[Text] The London news weekly New Statesman claimed last week that the refugee unit of the UK Immigrant Advisory Service says Britain is the only western country which still deports people to Iran in spite of the evidence that they face possible imprisonment or execution.

Timothy Raison, Home Office minister, recently told a delegation on behalf of Iranian students that he would not make an exception in immigration rules for them, despite admitting that special consideration is already given to people who fear to return to Poland, Afghanistan or El Salvador, the paper said.

In 1981, 59 Iranians were deported and 289 had their applications for refugee status turned down. Along with nine already deported this year, the New Statesman said, their fate is still not known.

Unless the British government relaxes its immigration rules on political refugees, many students whose courses in Britain end in the next few weeks face deportation and a threat to their lives, it contended.

"Punishment of 'dissidents' who are deemed guilty of sexual immorality as well as of political opposition is usually meted out swiftly on return to Iran," it continued. "Some reports say returnees have been summarily executed at the airport. Two students studying in Yorkshire, Aref Eqbal and Mohammad Ardestani, are known to have been executed soon after returning to Iran."

The New Statesman article, with the headline "How U.K. sends students to die," continued: "Home Office officials are refusing to allow Iranian students extended visas because they do not meet the necessary criteria for official refugee status or political asylum. There are about 30,000 Iranians in Britain, half of whom are believed to be students on three or four-year courses. Of these, the UK Council for Overseas Student Affairs estimates that 2,000 will be finishing their academic studies soon. Most of them fear the consequences of returning to Iran. Students who have lived abroad are particularly likely to be suspected of being infected by the West's 'lax' attitude towards music, dance, adultery and homosexuality.

"Even though students in Britain cannot, of course, be made subject to Iran's strict interpretation of Islamic law they can still be penalised while in this country. Documents from the Tehran Foreign Ministry show that students studying abroad will be prohibited from using the preferential currency exchange rate if they fall into one of 35 categories.

"These include: 'Those who do not adhere to one of the country's recognised religions...who at any time are studying dance or music...girl students married to foreign nationals...those who ignore the moral and political principles of Islam and ally themselves with puppet elements in damaging the honour and dignity of the Islamic Revolution and its character.'

"Another Tehran document which has been smuggled out instructs all embassies and consulates to 'supply with the utmost accuracy the names of all Bahais (a 'non-recognised religion') and counter-revolutionaries, especially the so-called students, resident in your area of responsibility. Also refuse renewal of their passports and only issue them with the pass permits (i.e. to allow them a single journey home).'

"In this task the Iranian government has been helped by a number of Britain's educational institutions. Consulates have written to the registrars of universities and colleges asking for what appear to be simple administrative particulars of Iranian students. Names, passport numbers and UK addresses were requested with the explanation that they were needed to ensure that fees and grants could be paid on time. But one question was more sinister. It asked who paid the students' fees in the last two academic years. The answer would identify those who are funded by exiles and thus potential enemies of Khomeini.

"Last year the embassy in London wrote to Southall Technical College asking them not to enrol any more students. The letter explained: 'We are requesting this as we prefer to keep the number of Iranian students in any one establishment low to the ratio of other students in the college. We have noticed with some concern the dramatic increase in the number of Iranians at your college.' Southall is one of the centres of Iranian opposition groups in Britain. In February this year, the Iranian government announced it would not be sending any more students at all to Britain.

"Representatives of Iranian students, together with officials of the National Union of Students, have been trying to publicise the activities of agents of the Iranian government which they say includes assaults on anti-Khomeini students. There is little doubt that an assault by three coachloads of men on a student hostel in Mainz, West Germany, which left one young woman dead, was organised by an Iranian secret service agency. And documents brought out by the defecting charge d'affaires from the Rome embassy reveal the activities of Iranian agents against anti-Khomeini groups in Italy. Iranians in Britain believe that secret service agents are bound to be similarly active here.

"The Council of Education Authorities has now instructed its members not to comply with requests from the Iranian embassy for information. But with the information they do have, the Iranian embassy can cut off a student's money via the state-owned Bank Melli, the only channel for the export of funds from Iran, or refuse to renew the student's passport. Without a passport, students are liable to be deported under British immigration rules, unless they can establish a claim to retain their student status or provide sufficient evidence that their lives would be at risk if they returned to Iran. Amnesty International says that 4,000 people have been executed in Iran since the February 1979 revolution. Their figure is based on reports made known outside Iran so it should, says Amnesty, be regarded as a minimum figure."

CSO: 4600/639

# SHAH'S FORMER OPPONENTS SAY CONDITIONS MUCH WORSE UNDER KHOMEYNI

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 pp 7-8

[Text] Iranian liberals who opposed the Shah are now in no doubt that prison conditions and torture, as well as arbitrary killings, are far worse under Ayatollah Khomeini than they were during the Shah's regime, an article in The London Times by a well-known writer on the Middle and Near East, Edward Mortimer, said this week.

He based his article partly on reports supplied by lawyer Hedayatollah Matin-Daftari, who played a leading role in defending political prisoners under the former regime and who is now a member of the National Resistance Council led by Masoud Rajavi.

"One report, based on details compiled by friends and acquaintances, concerned the death of Omid Gharib, an intellectual who had studied in France since 1973, and returned to Iran after the revolution," Mortimer wrote. "Omid was arrested on June 9, 1980. He had written a letter to a friend in France, describing the situation in Iran and the policies of Ayatollah Mohammad Beheshti and his Islamic Republican Party. The letter was opened. Omid's house was surrounded by Revolutionary Guards, entered by force and ransacked. He was taken away and his books and journals were confiscated."

After months of detention, an indictment was read to him. It was stated that he had been too long in Europe for his studies, that he smoked Winston cigarettes and that he displayed a tendency to the left. Nevertheless, he could be released on bail.

"At his trial he was sentenced to three years' imprisonment. During the 20 months of his imprisonment he was transferred many times from one prison to another and on several occasions he was beaten and tortured by Revolutionary Guards," the Times article continued. "He was transferred in June 1981 to the Qezel Hesar prison, where he was held for eight months without being allowed a single family visit. On February 10 this year his parents learnt that their son had been killed two days before. They were told they could go to fetch his will, but were turned away empty-handed."

"Information available indicates that between 70 and 80 people are held in cells about 19 ft square, so that prisoners have to take turns to sleep."

Food is scant and bad and permission to use the lavatories is severely limited. Whipping and other torture such as burning with cigarettes and irons and the pulling of finger-nails are so common that they have become an integral part of prison routine.

"Things are far worse than under the old regime. To avoid publicity the Shah's torturers tried not to kill their victims. Ayatollah Khomeini's henchmen have no time for such niceties. Tortured prisoners are often left alone to die and some are killed by attaching an instrument that inhibits breathing. In such cases, the pretence of judicial death is maintained and bullets are shot into the bodies.

"Nor does a death sentence bring relief. An MP who frequently visits prisons orders Revolutionary Guards to rape women before they are shot, so that 'they might be denied the chance of entering heaven.' Recently, documents show, those about to be killed have had blood taken, to be sent to the front in the war with Iraq.

"The smallest complaint or sign of defiance from prisoners is punished by instant death. A group of guerrilla supporters arrested after a street demonstration--some of them children aged 14 and 16--were burnt alive by Revolutionary Guards for singing their anthem. A man imprisoned for a week recounts that a cellmate was shot while pleading gently with a Revolutionary Guard to have mercy on a newly-arrested prisoner. Torture is used not only to extract information, but as a means of humiliating and breaking the will of political prisoners," the Times article said.

CSO: 4600/639

TEHRAN TRIES TO WHIP UP ARAB FEELINGS

London IRAN PRESS SERVICE in English No 77, 24 Jun 82 p 4

[Text] The mullahs appeared anxious last week to force their Arab allies, the so-called hardliners such as Libya and Algeria, to substantiate their verbal opposition to Israel with some sort of real action. To prove their point the mullahs sent volunteers to Syria, of whom it seems some 400 found their way to Palestinian strongholds in Beirut where they could fight with Israelis for the first time in the history of the Islamic Republic.

But events took a turn in a different direction. By last Thursday when the first batch of Iranian zealots was about to face the Israelis, the commander of the Al-Amal, the armed wing of the Lebanese Shias, went over to the Israeli command post to pledge cooperation with them.

The Al-Amal commander, Ghassem Zeitouni, later had a private meeting with Tel Aviv's protege Major Saad Haddad. The two were sorting out ways of providing shelter and welfare for the Shia community, who are among the poorest and most deprived of the Lebanese.

Ironically, this happened on the anniversary of the death of Mostafa Chamran, one-time defence minister of Khomeini who was killed in mysterious circumstances in Khuzestan last year soon after Bani-Sadr's ouster. He was the founder of the Al-Amal militia.

Tehran Radio did not report the decision of Zeitouni to cooperate with Haddad but instead claimed that the Al-Amal fighters had rejected the ceasefire call arranged by the U.S. envoy Philip Habib. What is certain is that the first Iranians to arrive were quartered not with Al-Amal, but with the Syrian-backed Saika group.

Meanwhile, the mullahs were not quite sure what the Libyans and Algerians would do to help Syria. Montazeri was forced to press the visiting Libyan premier Abol Salam Jaloud to send troops to Beirut. Khamenei boasted that Iran's real help could not be matched by any other Muslim country. The Ettelaat newspaper singled out Indonesia, of all countries, as a Muslim nation whose aid to Palestine was non-existent.

What is bothering the mullahs is Syria's apparent lack of will to engage the Israelis. PLO leader Arafat's position also left much to be desired in Tehran's eyes. Only Hani Al-Hassan, one time PLO envoy to Tehran who is now against Khomeini, was against a deal to stop the fighting. But the Tehran media did not report his call for continuation of the war.

CSO: 4600/625

LAWYERS SEEK TO APPEAL TO WORLD PUBLIC OPINION

London IRAN PRESS SERVICE in English No 78, 1 Jul 82 p 9

[Text] The Iranian legal system has been so badly damaged by the mullahs that any responsible government which replaced the present regime would have to work for years to repair the damage, a lawyer who has just left the country told IPS.

He said the procedures and court systems have been changed to suit the ruling mullahs' primitive understanding. Moreover, many laws which have not yet been repealed are openly ignored, since the mullahs only rely on their personal interpretation of the Islamic Sharia to pass judgment rather than on enacted laws. This has led to general chaos and a sense of insecurity among the public.

He also said that as many as 80 lawyers and at least 20 judges have so far been either killed by Islamic courts or allowed to be lynched by hezbollahi mobs. In many provincial towns, the ministry of justice judges are known to have been beaten up, arrested and even killed on orders of local gang leaders who nowadays wear turbans, he said.

Recently the mullahs have opened a new school of law and public administration at Tehran university which is designed to replace the prestigious Tehran law faculty, whose founders were notable Iranian scholars like Mohammad Dehkhoda.

"We want to appeal to world public opinion but we are not experienced enough to make use of the good offices of international bodies," he said. "Unfortunately, the president of the Iran Bar Association and his deputy, Hedayat Matin-Daftari, seem to be more concerned with politics than with the saving of Iran's legal system."

CSO: 4600/639



# IRANIANS IN DIASPORA

London IRAN PRESS SERVICE in English No 77, 24 Jun 82 pp 8-10

[Article by Teezbin]

[Text] An attendance of little more than 300, including representatives of leftist groups who are not included in the National Council of Resistance, must have been a bitter blow to the Muslim Students Society in London when they held a rally last Sunday in support of the council and against the Khomeini regime in Iran.

It pointed conclusively to the fact that the Mojahedin-e-Khalq does not, after all, have the widespread support among young people outside Iran that had been thought. The Mojahedin have worked really hard to promote themselves in Britain in particular in recent months; the fact that fewer Iranians than one can find in Kensington High Street on a Saturday morning turned out to support them here, while indicating the apathy of the majority of exiles over the situation in their country, showed the young people in general don't feel enough about the National Council of Resistance to give it their support.

Not that the flavour of the gathering was at all Iranian or overtly patriotic. Besides the fact that the main speakers were British there was a complete absence of emotion over the country itself, no patriotic calls, not even the kind of nationalism that is shown so strongly at the smallest monarchist or centrist gathering.

Banners with sketches in red of Mojahedin and NCR leader Massoud Rajavi and his late deputy Moussa Khiabani, both ironically bearing strong resemblances to young Josef Stalin, the red stars, the red armbands on the stewards--together with the big banner showing a red rifle in the place of the hammer crossing the red communist sickle--all this smacked too strongly of the ordinary extreme leftist rally in any part of the world. There was nothing specifically Iranian about it.

The communist students, handing out their own literature, chatted amicably to the Mojahedin representatives distributing theirs. There was little talk from the platform of the other elements of the NCR any more than there was of the homeland as such.

The suspicion that the majority of young people who have died and are still dying in Iran see less in the policy of the Mojahedin than they do in the organisation's symbolic role as the only obvious resistance to the mullah's terror must have hardened in the minds of the uncommitted people watching. Many of them were afterwards vociferous in their criticisms of the other exile opposition groups for their failure to make the same effort as the leftistists in drawing the world's attention to the plight of their country.

The British M.Ps. like Joan Lester, and other speakers at the rally, are sincere, well-meaning people who expressed the disgust of decent westerners over the events in Iran over the past year. But since they know little or nothing about Iran and Iranians and are people with definite ideology, they only heightened the feeling that one was watching a political exercise designed to build up the Mojahedin in particular and the NCR, rather than a genuine expression of Iranian misery.

There were moments of absurdity like that sparked by an official of the National Union of Journalists named Hammond, who said that 10 years ago he had attended the Shiraz Festival of Arts--"organised by Empress Farah," he explained in a sinister voice--and so he had been able "to see for myself the repression you suffered." Perhaps he wandered into one of those avant-garde plays performed by the Eastern Europeans there, which always contained strong elements of lugubriousness and violence which their years under repression produce in their arts.

But this kind of glib condemnation of the past regime, always current among foreign journalists who arrived in Iran with fixed ideas which they were determined not to change, has been fuelled by the similarly glib and irresponsible attempts of exiled politicians to gleam white and pure by condemning the former regime themselves, even though like everyone else in the country, they served it and profited from it. As other correspondents have written repeatedly, there was bad, but good, too, in the former Iran. But it is a fact that the exile politicians saw little of Iran outside Tehran and are unaware, anyway, of what was happening there. The same is true of a big proportion of the exiles.

Politically, the exiles also seem as unable to fathom out any practical conception of where their true interests lie. Nationalists and monarchists watching the Mojahedin rally in Hyde Park warned loudly that the Mojahedin had shown in the past that it was a thinly-disguised marxist organisation. Their view is that even if the National Council of Resistance came to power in Iran the Mojahedin marxists would soon get rid of their partners--and many more liberal members of their own organisation--in the alliance.

But they can offer no alternative to the NCR, thanks to the failure of the other groups to come together. Worse, even if no other alternative does come along, in their reckless way these centrists and rightists are not even prepared to support the NCR just to get back into Iran. They fail to see that it is Khomeini and his extremists who are responsible for their troubles at the moment and that every day the mullahs remain in power the more difficult it will become to dislodge them.

For inside Iran most of the bourgeoisie is sitting quietly, without raising a voice in protest over the murder of the young people who do have the courage to fight the regime. They insist that these youngsters are leftists and are better got rid of. In even more suicidal cynicism they say that it is more important to destroy the leftist threat than to get rid of the murderous bunch who rule them today and exact such a toll in blood.

It is not the true left, however, that is being obliterated in Iran. It is the patriotic nationalists whom the Mojahedin claims as its own and which the Khomeini regime finds it convenient to give the Mojahedin label. Most of these kids do pay their lip service to the Mojahedin; but that's only because it is the only bastion of resistance they know. Even those few bourgeois and other nationalists not from the left who are resisting inside Iran have no objection to being labelled as monafaqin, the name given by the mullahs to the Mojahedin, if their efforts serve to bring down Khomeini. They will work with the devil himself if necessary; but not our fastidious exiles, who wave their own flags, dream of taking power themselves and, in most cases, seem to see Iran's interests as their own.

Meanwhile, the really organised left in Iran, lined up for convenience under the banner of the Tudeh party, works closely with the Khomeini regime and, indeed, plays a key role in keeping its administration and security set-up working. If the Tudeh leadership, with its close liaison with Moscow, was convinced that the young supporters of the Mojahedin in Iran were confirmed leftists like their original leaders were, would it play such a big part in encouraging and helping their slaughter? Of course not. They are fully aware of the fact that the real nationalists in Iran are the young and that the eradication of their main core could mean that all the real leftist activists including the Mojahedin leaders would have to turn to Moscow for sustenance in the end.

Do the mass of young Iranians in exile who failed to turn out to support last Sunday's rallies under the aegis of the NCR and the Mojahedin realise that their counterparts inside Iran are dying for a lost cause? Is that why they are so apathetic, seemingly so like their discredited elders who have failed to put the interests of their nation before their own ambitions?

Checking just three of Tehran's leading dailies on one day last week it could be seen that 23 people had been executed the previous day. Just on one day! For what are these young people dying? For Massoud Rajavi and Abolhassan Bani-Sadr and their ambitions?

This is why one felt so disquieted after last Sunday's rally. If the National Council of Resistance cannot rally Iranians around it, who will? Where is the alternative grouping that can serve Iran and Iranians on the world stage at a time when those inside the country are held silent by terror and when a cynical world sees only those who hold power as significant for their own political decisions? Who will speak for them and try to give courage to those in Iran who might act? That's the question that lies heavily on the minds of those Iranians who are still concerned with the future of their country.

CSO: 4600/625

BRIEFS

IRAN-IRAQ WAR--Prime Minister Mir-Hossain Mussavi confirmed the Tehran regime's intention to continue with the war when he spoke to a press conference in the capital on Wednesday morning. He said the Iraqis had fled the country, but they might still be in parts of Iranian land. Anyway, the political war was not over so hostilities would continue. The fight against Saddam was the fight against Begin and this would have to be conducted through Iraq. Mussavi invited journalists from all countries to come and see the devastation in Qasr-e-Shirin and surrounding areas evacuated by the Iraqis. Not a building, not even the mosques, had escaped, he said. [Text] [London IRAN PRESS SERVICE in English No 78, 1 Jul 82 p 9]

CSO: 4600/639

BAGHDAD CONDEMNS IRAN'S CONTINUATION OF WAR

NC291635 Baghdad Radio in Persian to Iran 0600 GMT 29 Jun 82

[Unattributed commentary]

[Excerpts] Dear Iranian brothers and sisters, oh people who are disgusted with Khomeyni's chaotic regime, dear listeners:

Although the Iraqi Government has declared a unilateral cease-fire and the withdrawal of its forces from Iranian territory, thereby showing utmost good will for the establishment of peace and for the prevention of bloodshed, Khomeyni's forces nevertheless continue the war and aim their heavy artillery fire at our forces and at our border cities [words indistinct]. They are doing exactly what they did 21 months ago, which made Iraq send its troops into Iranian territory in order to silence the heavy artillery of Khomeyni's forces. The people of Iran know that the responsibility for the progression of the war and its duration for 21 months rests with Khomeyni's regime, because Iraq proposed peace and a cease-fire during the first days of the war. However, Khomeyni's regime, which was entangled in a chaotic domestic situation--a situation which still prevails--was not prepared to lose the pretext of the war.

Even in the first days of the war, Iraq did not intend to occupy Iranian territory. Iraq's objective in stationing its troops on Iranian territory was to safeguard Iraq's border villages and towns from the artillery of Khomeyni's regime. But now that Iraq's forces are withdrawing from Iranian territory to the international borders, Khomeyni's regime continues its attacks on our forces. It is doing exactly what he did, which sparked off the flames of war between the two countries.

Khomeyni has repeatedly stressed to mediating delegations, including the one from the Islamic Conference, that he would be prepared to discuss the solution of his differences with Iraq if Iraq first withdraws its troops from Iran. The Islamic Conference mediation delegation proposed to Iraq to express its good will in the termination of the war and the establishment of a cease-fire by removing its troops to the international borders so that peace talks between the sides could begin. Iraq, in turn, replied positively to the well-intentioned message of the Islamic Conference and ordered its troops to withdraw from Iranian territory. But Khomeyni's

bloodthirsty and warmongering regime has abused this good will shown by Iraq and now that our forces are in the process of withdrawal, it is opening fire against our forces and using its heavy artillery against Iraq's border cities.

At any rate, Khomeyni's regime has tested Iraq's strength during the 21 months of its imposed war and knows that its instigations and aggressions cannot create the least schism in Iraq's determination to safeguard its independence and sovereignty. Iraq will defend its borders from any aggression and will answer fire with fire. It is up to the Iranian people to ask Khomeyni's criminal regime, which wants to shed the blood of their children in order to guarantee a few more days in its life, why it is continuing the war and why it isn't removing the sinister clouds of insecurity and terror from Iran's skies. They should ask why the regime wants to continue killing Iran's children. Isn't the objective pursued by Khomeyni in continuing the war to help the occupiers of Jerusalem carry out extensive aggression against Lebanon and massacre Muslims and Palestinians?

Undoubtedly Iraq's youths and combatants will foil the aggression carried out by Khomeyni's regime and will resolutely defend every inch of their territory from the aggressors of the regime ruling Iran.

CSO: 4400/363

## BAGHDAD ATTACKS MULLAHS' CRIMES IN IRAN

GF111815 Baghdad International Service in Azeri 1800 GMT 10 Jul 82

[Unattributed commentary]

[Excerpts] Dear listeners, the group of clergymen in Iran, which has been ruling that country mercilessly and which has caused extensive bloodshed, is typical of the character of those who have laid the cornerstone of the philosophy of such a school of people. The confused Iranian clergymen have regarded mass executions as the only way to maintain their existence. By (?approving the crimes that are being committed), the mullahs--from Mr Khamene'i to clergyman Rafsanjani--[words indistinct]. Furthermore, they shamelessly describe all this as permissible--in fact, they say that this is Islam. In reality, the Islam that Khomeyni has brought to Iran and the school of thought he is endeavoring to spread to the world mean only death, blood, [word indistinct] and lies. In fact, they mean nothing else but the shedding of the blood of people, including that of pregnant women and youths. And, just as we have said, Khomeyni is shamelessly talking about spreading this school of thought to the rest of the world.

After nearly 3 years of [words indistinct] and treachery and murder, the mullahs' government has reached its highest peak of shedding blood. The wave of executions in Iran as the Iranian administration's term of office nears its end indicated that Khomeyni and his criminal band have no intention of accounting to the brave Iranians. Probably they are unaware of the inexhaustible strength of the heroic Iranian people.

No matter what is said, is it not a fact that the Iranian regime has established itself on oppression, blood, executions, plunder and lies? Regrettably, the press media and news agencies of this regime are endeavoring shamelessly to make the Iranian peoples accept the crimes and treacherous activities in Iran as [words indistinct] and miracles. Nevertheless, the people of Iran, from Tabriz to (Sehend), from Reza'iyeh to Bandar 'Abbas, from (Katbahar) to Zahedan, from Abadan to Shiraz and from Esfahan to Tehran, are cursing and condemning the Jamaran clique. The hatred against the regime of dictator Khomeyni is obvious in every corner of Iran today. The regime of clergymen feels itself in danger. Mullah Khomeyni, on the other hand, is engaged in witchcraft. Nevertheless, neither his cloak nor the witchcraft he engages in can have an effect any longer. A voice is

being heard in Iran today which says death to Khomeyni, death to the executioner, death to clergymen and [words indistinct].

Regardless of this, the Iranian mullahs continue to claim that the world Muslims side with them. They say the world Muslims support them and that they have to rid the whole world of the forces of blasphemy and profanity.

However, regardless of all the oppression and terror in Iran, the Iranian peoples are carrying the banner of revolution, despite the weight of the difficulties they have to put up with. Undoubtedly, the day will come when the bearers of this glorious banner in blood-stained Iran will jubilantly mark the day of their glorious victory.

CSO: 4400/363



## COMMENTARY QUESTIONS IRANIAN WISH TO FIGHT ISRAEL

GF111830 Baghdad International Service in Azeri 1800 GMT 10 Jul 82

[Unattributed commentary]

[Text] Dear listeners, it is common knowledge that on 10 June the revolutionary government of Iraq declared a unilateral cease-fire and made it known that the Iraqi armed forces would be withdrawing from the territories they occupied in Iran during the course of the war. Furthermore, it also asked Iran to express its views regarding the matter. Iran, however, set the condition that it would agree to a cease-fire only if the Iranian troops would be allowed to cross Iraq to reach Lebanon. Iraq applauded the proposal for the transit of Iranian troops. In fact, it made it known that this proposal could be realized in the event the war came to an end. Furthermore, it responded to Iran's proposal by expressing preparedness to fight shoulder to shoulder with Iranian troops on a united front against occupationist Israel with a view to liberating Jerusalem.

Nevertheless, the illiterate Tehran rulers, whose ugly faces reflect only arrogance and who continue to deceive their people who have lost their hope, pressed to realize an illogical wish that the proposal they made be realized while the war still continued. It is very strange, however, that irrespective of the Iranian rulers' ridiculous behavior, which has made the diplomats of the world laugh, revolutionary Iraq continued to respect its unilateral decision to cease-fire. Nevertheless, one cannot overlook the fact that any Muslim country which intends to defend the existence and territorial integrity of the Palestinians and the Arab people of Lebanon has to establish friendly relations with its own Muslim neighbors first. Such a country should not covet the soil of Iraq, a country which is regarded as the Zionist entity's number one enemy. Nor should it wage a war against the Iraqi people. It should move to agree to a cease-fire and terminate the war. In the event the war is put to an end, Iraq will move to mobilize all its forces against Israel, which is the enemy of Islam and the Arab peoples. Such an eventuality would give Iraq the opportunity to be present on the scene to defend the peoples of Lebanon and Palestine against the attacks of enemy Israel. The continuation of Iran's war, on the other hand, forces Iraq to delay the fulfillment of its national and religious duties.

Had Iran been sincere in its wish to help the people of Lebanon and the Palestinians, it would have agreed to revolutionary Iraq's proposal for peace. It would have moved to end the war and use its artillery shells, which are being wasted in the current fighting, against enemy Israel. It is therefore obvious that if the Iranian mullahs, who have been describing themselves as the main guardians of Islam, are sincere in their wish to save the Palestinians in Lebanon, who have been stained with blood by the artillery shells fired at them by Israel, they have to decide to end this war which has been shedding the blood of the Muslims of Iran and Iraq for no reason at all. However, as the saying goes, innocence cannot penetrate a black heart and no nail can pierce through a stone. The non-Muslim and executioner rulers of Iran wish for nothing else but war. Their hearts are not at all disturbed by the tragedy that has befallen Lebanon and Palestine. Their petty proposals are only aimed at furthering their policy of occupation through war--a policy which deceives only its own architect.

CSO: 4400/363

## BRIEFS

DAMASCUS ICATU TRANSFER URGED--Baghdad, 12 Jul (INA)--The Executive Bureau of the Iraqi General Federation of Trade Unions has called for an emergency session for the International Confederation of Arab Trade Unions [ICATU] in any Arab capital other than Damascus in order to define the real and sound stand of the Arab workers with freedom and commitment toward the Zionist invasion of Lebanon. In a cable addressed to the ICATU's General Secretariat, whose headquarters is in Damascus, the Iraqi General Federation of Trade Unions said that the holding of the session in Damascus tomorrow will not enable the ICATU to adopt any effective decision in support of the Lebanese and Palestinian peoples' struggle. It added that Hafiz al-Asad's regime, as has been revealed to the entire world, is the first plotter against the Palestinian revolution and the Lebanese national movement by agreeing with the Zionist enemy and by withdrawing its forces from Lebanon. The Iraqi General Federation stressed its readiness to extend all sorts of material and moral support for the forces of the Palestinian revolution and the Lebanese national movement. [Text] [JN121941 Baghdad INA in Arabic 1700 GMT 12 Jul 82]

CSO: 4400/363

## GOVERNMENT POLICIES FOR STREAMLINING SPENDING CRITICIZED

Kuwait AL-TALI'AH in Arabic No 742, 5 May 82 pp 18-19

[Article by Dr Ahmad al-Baghdadi: "Faulty Policy and Citizen Is Victim"]

[Text] In a lecture delivered by the Kuwait minister of finance some time ago, the focus was on what motivated the government to raise fuel prices. The minister tried to explain that continued government spending as in the past will lead to inflated spending and will ultimately, within a period set by the minister at 4 years, lead the state to bankruptcy. It is as if, may God be praised, we lived in a private company and not in a state. Before embarking on a discussion of this issue, we would like to question the credibility of the minister's statement regarding future bankruptcy at a time when the Saudi minister of oil believes that the oil glut will disappear in the next few months and that oil prices will return to their golden age and at a time when news reports have attributed to Dr Sa'id Mani' al-'Utaybah, the [UAE] minister of oil, the statements that he predicts that the conditions will return to what they used to be and that the oil-producing countries will be compelled to raise their production to meet the market demand. We are at a loss as to whom to believe. By the way, these three ministers represent (insofar as oil is concerned) three countries that are members in the same council, namely, the Gulf Cooperation Council, [GCC].

Let us return to our likening the minister's statement to a private company. What I mean here is that this situation is similar to that of private commercial companies that counter a drop in their profits by laying off employees without taking the trouble to look into the enormous amounts spent on the luxury of the bosses, on cocktail parties, advertising and so fourth. Consequently, the privileges of the bosses continue to be preserved and the problems from which dismissed workers suffer are totally disregarded.

When the government decided to raise fuel prices and announced the streamlining policy, it considered only one aspect, namely, the means to regain some monies from the pockets of the consumers with a limited income because this price increase will not at all hurt those who make enormous profits without paying any taxes to the government and who enjoy the protection of the law, which supports a free economy that opposes any price restrictions. The other aspect that the government disregarded are the government expenditures of the ministries and of the various agencies. These

expenditures are escalating annually without any logical justification at a time when the loss column is showing a similar escalation, as in the case of Kuwait Airways, for example. What measures does the government intend to adopt to reduce the budgets of these companies?

As for the budgets of the ministries, any man with brains can see that millions of dinars are squandered. Let us cite some examples:

Is there a justification for the payment of millions to treat patients at London hospitals at a time when the officials never stop speaking of the enhanced capabilities of the health services? The statement that treatment abroad is for difficult cases is no excuse because it is not difficult to bring in specialists from abroad. What is more, this is less expensive. Furthermore, why are 3 million pounds allocated for mouse eradication? Cannot the remaining mice be eradicated through cooperation with the citizens instead of having the Ministry of Health import crews to perform this task? The Ministry of Health then proceeds to demand that the citizen shoulder the expenses of expanded health services.

The second example is the millions spent on the issue of housing. Is it reasonable for the state to spend millions on the Ministry of Housing, keeping in mind that this ministry's role in the housing policy can be performed by the Housing Authority, though this does not mean to say that the authority is capable? The claim of streamlining requires that only one agency handle housing and that vast sums of money paid for unnecessary rents and wages are saved.

The issue also requires that ministries with similar tasks whose merger would achieve a surplus in the state budget, such as the ministries of finance and of oil, which have similar powers, be merged, especially since such ministries were actually merged in the "glorious days." Therefore, it is no surprise to return to the past situation in the "days of poverty" or bankruptcy, as the minister of finance has said.

The policy of assessment and of paying millions of dinars is unjustified under present conditions. What is the justification for the payment of millions of dinars for a piece of land in al-Fintas or in any other place at a time when, if necessary, the owner can be paid the needed sum to build or repair a house?

If the government is truly serious about streamlining expenditures and correcting the deteriorating budget, then why does it allow the private companies and establishments that reap millions in annual profits from their projects and their businesses to get away without paying any escalating taxes that would take away some of these profits in the interest of the state? Why is the capitalist class, which monopolizes everything in Kuwait, and why are building owners who reap a profit of more than 100 percent, allowed to get away without paying anything in return for these profits?

Why should the citizen with a limited income always be the victim of the greed of the capitalist class and of the faulty government policies? Is it because he is the "low wall" over which everyone can pass or jump without difficulty? Forget about the statements of the officials that they will strike with an

iron hand anybody who allows himself to raise the prices of services or of the products he offers. We know that the government has not yet announced the means it will use to achieve this. I firmly believe that it will not be able to do this in the future, especially since the winds of price hikes are on the way, even though the government has presented these [price] increases in advance by raising fuel prices.

The streamlining of expenditures is not done in this manner. I believe that it is disgraceful to throw the burden on the shoulders of the citizen and the resident who lives on his salary or on a small income from his individual activity while big businesses are allowed a free hand, without any tax deterrents or any financial control over the profits they reap at the expense of the citizen and the resident.

Streamlining requires the formulation of a complete plan in which the government begins with itself first and foremost because it is the most extravagant part of the state. If the government can reduce the luxury expenditures it spends on sports cities, recreation facilities, coastal beautification and treatment abroad, if it can reduce the number of employees who fill these ministries unjustifiably and if it can reduce expenditure on assessments, on digging and paving and the redigging and repaving and so fourth--if the government acknowledges that it must curtail its extravagance (we have forgotten to mention the expenses of meaningless conferences from which only hotels benefit) and if it works ceaselessly and sincerely to curtail this monetary "diarrhea," then the state will achieve an undreamed of surplus. Then comes the role of the citizen and of the resident--a role realized through enlightenment about and participation in the streamlining process.

The citizen can have no objection to participating in the policy of streamlining, of energy preservation and of paying a part of his wages in return for the services he gets. But this must be done within the framework of right, justice and equality in the distribution of these services. It is unreasonable for a citizen living in an area with poor services (Khitan, Julayb, al-Shuyukh, al-'Abbasiyah and so forth) to be asked to pay. It is also unreasonable for a citizen to be denied his right to sue the ministries and government agencies as a result of whose services he may suffer, as in the case of poor execution, for example. There must be a judiciary authority to which the citizen can resort to get his full right in such cases. Moreover, the government must not spring surprises on the citizen, must not tell the citizen that his opinion on such issues does not count and must not tell him that he has either to pay or to leave. The issue [of streamlining] should have been discussed in the court of public opinion and studies should have been conducted openly and not in the lobbies of the ministries and should have been presented to the people so that they could express their opinions on them. There is no place for claiming that the people would not have agreed because it is normal for there to be disagreement. The discussion would have enabled us to recognize the inclinations of the citizens who are actually aware of the importance of taking part in these issues. I would not be exaggerating if I say that participation after discussion takes place in a better way and with a higher morale.

The National Assembly has the duty of helping to enlighten the people on the coming issues concerning the publication law, amendment of the constitution and other issues that will be pushed aside if the citizen's interest in the issues of prices and wages intensifies. The assembly must do this by watching the government and by bringing it to account for the policy it follows to curtail the rise in prices of services and products and by emphasizing the issue of democracy, which must be the focal point of the citizen's thoughts in the coming phase and on which the survival of the citizen, of his children and of his grandchildren depends.

8494

CSO: 4404/498

ROLE, FUNCTIONS OF KUWAIT INSTITUTE OF TECHNOLOGY DESCRIBED

Kuwait AL-'ARABI in Arabic Jun 82 pp 120-133

[Article by Yusef Za'balawi: "Kuwait Enters the Age of Applied Technology"]

[Text] Kuwait has entered into applied technology and established a special institute for this purpose. It has been silently at work for the last 5 years. This is its story...

It began last summer in New Orleans, the second most beautiful city in the United States. I happened to meet a girl who had just graduated from high school 2 months before. She was noted for her academic excellence, good conduct and good looks. Out of courtesy I asked the girl about which university she had decided on. She immediately answered:

"I don't intend to go to college, at least for the time being. I am going to enroll in one of the community colleges, where the term of study is short. I'll be able to graduate in a mere 2 years. Then I'll think about either continuing my studies at the university or begin my professional life. Also, it costs less to go to a college than to a university. That's important to me, because the cost comes out of my pocket, not my father's."

The girl's words spurred my imagination and piqued my curiosity. By coincidence I happened to meet with some administrators at the college who were knowledgeable about its affairs. They were patient enough to answer my questions until I was thoroughly familiar with the subject of community colleges.

I found out that the community college in America is the equivalent of the technical/vocational schools at home. It is not a passing fad like so many of those here-today, gone-tomorrow American crazes.

I realized that the community college represents a serious and unshakable trend, even a tremendous revolution, in the realm of higher education. It is a trend that is peculiarly American, arising as a response to certain actual needs of society. It puts into practice the true principles of education. Community colleges are a phenomenon that is here to stay and that will grow and progress until it comes to have its own distinctive function.



It is no wonder that there is such "Arab" interest in this important phenomenon, as represented in the community colleges' counterpart in the technical and vocational schools generally and in the Kuwait Institute of Applied Technology in particular.

Nor is it strange that I elaborate on technical and vocational training in a general manner, without confining the discussion to the Institute for Technology...at least at the beginning of this study. The story is a very recent one.

Perhaps what first grabs our attention about the Kuwait Institute of Applied Technology is how new it is. It was only 5 or 6 years ago that it assumed its present form. It is the youngest of its sister institutions, preceded by the Institute of Commerce and its branches (1975-76) and the Institutes for Teachers Training (1972-73).

We should point out that these institutions arose in the latter half of the seventies after a new strategy was agreed on and crystallized in the great educational conference held in 1975 and lasting a little less than a month (20 January-18 February). UNESCO specialists attended as well as Arab pioneers in technical and vocational education and officials from the Ministry of Education and the Administration of Technical and Vocational Training. The convention's report, "The Future of Technical and Vocational Training in Kuwait," became the cornerstone of the new strategy.

How quickly vocational training became outmoded in its old form and how quickly new institutes arose for vocational and technical training in this new form. The former have abandoned, once and for all, their mission of producing skilled workers, leaving this responsibility to the new institutions specializing in this field, i.e., centers for professional training attached to the Ministry of Social Affairs and Labor.

In this way, the student body in the Institute of Technology and in the other technical and vocational institutes increased. The number of students reached 973 in 1980-81 and 4,242 altogether; in 1976-77 the number hardly reached 134, and 2,316 altogether.

This means that the Institute of Technology's share of the total number of students in technical and vocational institutes is a little less than one-fourth (25 percent).

Kuwait's technical and vocational institutes absorbed 33 percent of the total number of secondary school graduates last year; in 1978-79 the figure was no more than 26.5 percent.

This growth was accompanied by a growth in faculty. In 1976-77 there were 393 faculty members; this grew to 543 in 1980-81. Of the latter figure, 21.8 percent held doctorate degrees, and 33.1 percent held master's degrees. Moreover, the current teacher-student ratio is now 1:8.

The same applies to the administrative structure. In 1976-77 it had 158 members; this increased to 364 in 1980-81.

### The Middle Work Force

The aim of the Institute of Technology is to prepare its students to enter the middle work force. It matriculates technicians and technocrats who will mobilize this middle work force in technological areas. But no doubt its functions are shared by other institutions who also prepare students to join the middle labor force in areas other than technology.

As its name implies, the middle work force is offset by two other work forces, the professional and the skilled. The former is the domain of the universities, which prepare students for the professions. The latter is the domain of technical/trade centers, which prepare workers for technical work. The centers are attached to the Ministry of Social Affairs and Labor.

But what is the precise meaning of "work force"?

The work force is an expression denoting the skilled labor performed by a group that possesses common skills or attributes. It is labor performed for wages or profit, according to the dictionary.

But what concerns us here is not the nature of the labor covered by the term work force, which we will return to later. We are more interested in the role that this middle work force plays in our lives. All human societies are in need of all three work forces. However, they need the middle work force most, both in size and in scope. This is due to the great speed of technological progress and its growing effect on our lives. This technology is spreading all over the world and it generates a great need for a middle work force. It needs it even more than it needs a professional work force, at least in the case of underdeveloped countries, which import technology without producing or inventing it.

It is the opportunities for work in Kuwait that is producing vocational and technical school graduates, not the reverse. And the greater or lesser unemployment rate in the skilled and professional work force hardly holds true for the middle work force. What is more remarkable is that the income obtained by these technocrats from their work in the middle work force is almost equal to that of university graduates in the professional work force. But there is really nothing strange in that. For every university professional, the market needs 10 or 20 technocrats, produced by the technical and vocational institutes, especially the Institute of Kuwait!

We would do well to see how the middle work force and technical/vocational training is viewed in Arab society. Perhaps it is a view based on emotion rather than sound thinking. The typical view is one of superiority over the middle work force and distaste for technical training that is geared to this work force. In both cases it is an irrational view, scarcely to be found in the psychology of advanced peoples. What is the source of these irrational

feelings that are self-defeating and that retard our development? Is it a deeply imbedded superiority complex that our generation caters to at the expense of the next generation? Or is it a passion for civil service jobs inherited from Ottoman times and now expressed in a craving for university diplomas? The advanced nations were afflicted with it in the middle ages, until the industrial revolution wiped away all trace of it. Who knows? The problem might be ignorance. In that case, education is the way to overcome it.

#### Short-Term Study

The length of study at the Institute of Applied Technology is 2 and one-half years (5 semesters X 15 weeks), and only 2 years in the other technical and vocational institutes (4 semesters). It is 4 years at the university. The short term of study is a characteristic feature of vocational and technical training everywhere. Although it is not the most important feature, it is certainly the most well-known. In fact, these institutes are known as "short-term" colleges, to distinguish them from "long-term" colleges, i.e., the universities.

But graduates of the technical and vocational schools, especially the Institute of Technology, do not have to end their education and go directly to work. They have the choice of doing that or of continuing into professional education at a university. In the latter case, they receive credit for the courses taken at the institute as if they were taken at the university. And they only spend 2 more years to get a bachelor's degree.

Perhaps it is this feature that endears community colleges to the hearts of American students, as was indicated in the conversation with the young lady noted at the beginning of this report. They feel that they don't lose anything by shunning the universities and they gain a lot by enrolling in the institutes. At least they gain the right to continue at the university if they wish. And they gain the right to enter the battleground of life if they wish.

But many students are unable, for family or financial reasons, to spend all 4 years in a university. For these reasons, they find it necessary to enroll in the "short-term" colleges. This is more likely to be the case with our students than with American students. Moreover, many of them are inclined by their natures to be more disposed toward joining the middle work force and receiving technical or vocational training that focuses on the operational, practical side of learning rather than the theoretical. It should not be surprising, therefore, to find these students pursuing their desired course in technical and vocational institutes.

What is strange is that there are those who view the short length of study in these institutes as indicating a lack of academic value. If that were the case, then the universities would not equate technical and vocational training with the first stage of university study. Nor would they allow the exchange between the two types of students or welcome them into the university whether they had graduated or not.

Here we should point out the favorable survey made by certain academic circles in the United States that compared the results achieved between two groups of students in the latter stages of their university education. The first group had been enrolled in the university from the very beginning, and the second group had entered the university after having graduated from community college. The survey showed that the second group performed better than the first.

#### Continuing Education and Open Doors

We move now to two other features characteristic of technical and vocational training. These are the aspects of continual education and open doors.

The technical and vocational institutes believe that education is a continuing process, whether prior to graduation or after. Knowledge and science are a precious treasure that can't be confined only to students, but to men of genius as well. And if we remember that this treasure had been growing steadily, and that only recently has it picked up such remarkable speed and extended its scope to such great extent, then we see that continuing education after graduation is not a luxury but a vital need that no individual or society can afford to do without.

This is why the Institute of Technology and its sister institutions have been so concerned to organize a special program for continuing education, aside from the curricula for the regular students. Perhaps the program created by the institute for the benefit of the Kuwaiti naval forces are a good example of the benefits of continuing education.

It remains to mention the open-door policy. It is well known that the technical and vocational schools in America open their doors to all who knock on them. This does not mean that there are no admission requirements. There are. The open-door policy simply means that the technical and vocational schools will not close their doors to those who desire admission on racial, religious or sexual grounds.

The requirement that must be met for enrollment in the Institute of Technology and the sister institutions is a high school diploma or its equivalent. Another requirement is Kuwaiti citizenship, because of Kuwait's peculiar geographic and demographic condition and because of the scarcity of vocational and technical schools in Kuwait. Still, the Ministry of Education has reserved 10 percent of admissions for residents and Gulf students.

#### The Production Network

We proceeded to tour all the different departments and workshops scattered around the institute. We talked with teachers and students. These personal encounters will help us communicate the situation to the reader.

The mechanics department was the one we visited first. No wonder, since it is by far the largest department. It is the largest in terms of goals,

curriculum and people. It contains five branches, more than all the others, which have only two branches (except for the construction department, which contains three).

We may list the five branches as the mechanical systems branch, the automobile branch, refrigeration branch, the welding branch and the production branch. The fifth branch is the most important of them all.

But what do we mean by "production"?

One of the officials there explained to us: "The formation and the transformation of matter from one form to another is what is meant by production. It includes all the work done by lathes, foundries, presses, blades, etc. Factories, cars, planes, ships and trains could not manage without it. It is the kind of work on which the metallurgical industries are based.

"For example, an automobile would come to a halt if one of its parts were damaged. And if that particular part were not available in the spare parts stores, then one would go to a lathe and obtain a replacement for the damaged part. Life could be restored to the automobile.

"Or the damaged part might belong to a cement factory or a cold-storage plant. It might be made of cast iron, not wrought iron, like the automobile part. In this case, there is no avoiding going to the foundry for a spare part. And a special need is met.

"The work of separate branches constitutes the aggregate common denominator of production, whether in heavy or light industry, conversion, consumer goods production or primary, raw material production. They reach us by means of land, sea and air transport.

"This explains why all of the institute's students are so intent on completing the first term of study in the production branch and on achieving success in the practical and theoretical curricula so as to continue their studies in the institute.

"If the student finds that he wishes to specialize exclusively in the production branch, however, he may devote himself to study in this field throughout the five study terms.

"It is no wonder that the production branch in the Institute of Technology constitutes the trunk of the entire tree, so to speak. It enjoys the greatest amount of attention by virtue of its role in industry. And it affords its graduates the most abundant and lucrative job opportunities."

#### The Automobile Branch Exposes Our Need for Technicians

After this, we moved on to the automobile branch. It is an adjunct of the mechanics department. I didn't know why I suddenly felt depressed as we toured the branch site, but I quickly discovered the reason. It is well equipped, but could stand a lot more equipment. It is not the automobile

itself that underscores our negligence of the middle labor force. It is the fact that we have a plethora of cars and garages, but precious few mechanical technicians who are competent. I don't know how much longer we can continue to be unconcerned with the training of mechanics who can repair and maintain cars. I don't know how much longer we can ignore the huge material loss sustained in this field. Most of our current mechanics are skilled laborers who acquired their experience through some sort of apprenticeship and who then themselves became masters. Their skills have been based on trial-and-error, good luck and custom. And providence plays an important part in their work.

We asked our guide what students study in the automobile branch. He said:

"They study pure science like mathematics, physics and chemistry in addition to mechanics. They also study applied science like energy conversion, engineering graphics, combustion and oil and machine and electrical theory. This is in addition to specialized sciences that include motor dynamics, internal combustion and automobile technology."

The automobile branch contains three or four units: the diesel unit, the engine unit, the battery unit and the rear axle unit, not to mention the chassis and forward suspension unit.

The Refrigeration and Air-Conditioning Branch: The Systems Are Imported and Scare the Technicians

Our third stop was at the refrigeration and air-conditioning branch, one of the five branches of the mechanics department. Central and other types of air conditioning are now widespread in homes, stores, hospitals and factories. To our greater enjoyment, we now have in our region air conditioned passenger cars. People have now accepted having cold storage in cities and ports. We have seen the appearance of huge refrigerated trucks that transport fruit and vegetables through the desert, covering long distances with no loss in freshness. Refrigeration and air conditioning have not only spread in Kuwait but in many other Arab countries as well, both in the Gulf and abroad.

A brisk and wide market has arisen for air conditioners, refrigerators and accessories. The middle work force has risen alongside it. There is a vital need for maintenance work on this air conditioning and refrigeration equipment, in view of the vital functions this equipment performs.

But the technicians who undertook to fill the middle work force in the air conditioning and refrigeration fields were for the most part imported. Agencies and companies imported them from India and elsewhere to fill the gap. No doubt they both benefited themselves and performed a service for others, although they were closer to skilled workers than to technicians.

That is why there is such attention paid to the branch of air conditioning and refrigeration. It is hoped that the graduates of this branch will fill the gap in the near future and fill it with honesty and aptitude.

They are not only qualified for repairs, service and maintenance--they can also design. They can devise central air conditioning plans with precision and care, carefully drawn to specification. Moreover, they are qualified for copying and implementing blueprints. We were impressed with the comprehensiveness of the refrigeration and air conditioning branch and wondered what was left to learn in the universities.

We visited an air conditioning laboratory that included an entire central air conditioning unit and its appendages. It also contained a steam generator and a dehumidifier. This in addition to visual aids and equipment, some of which explain how central air conditioning and window units operate.

We also visited the refrigeration laboratory, where the ice-making units are kept. This laboratory contains refrigeration rooms, display exhibits and workshops for repair, maintenance and diagnosis. Our attention was caught by a refrigerator that operated according to the suction theory.

#### The Production Branch: Engineers and Assistants

We don't know why we didn't head directly for the production branch after the mechanics department. Or perhaps we do know. How frequently is this department known for the special attention it holds for students. It is a branch that is extremely well received by students and had 83 students last year (1980-81).

The special attraction of the production branch is due to the lucrative job opportunities it offers its students in the field of civil engineering and construction.

Apparently, this field is more hungry for middle workers than professionals. There are those who estimate that it needs 10 times as many technicians as it does academic engineers. This ratio is reflected in the number of applicants requesting work in this field: lots of engineers but few technicians.

For this reason, technicians are welcomed by companies operating in the field and are offered lucrative job opportunities and rewarding wages. In many instances, their salaries have exceeded those of professional engineers. No wonder, then, that the production branch has attracted so many students.

We found that this branch's curriculum includes all the courses pertaining to production, including courses in production design and surveying. It also includes courses in concrete technology and reinforced concrete, quantity analysis, implementation planning, ground work, soil mechanics, foundations, mineral production and principles of execution and supervision.



## Electricity Department: After a Century It Has Become Like Blood in the System

After that we headed for the electricity department. Electricity is that mysterious substance whose essence is unknown. Yesterday, it was nothing; today it means everything for human life. All this in only 100 years.

In the 1880's, Faraday displayed the first electric generator. It was a crude system made up of copper coils wrapped between two magnetic poles. A visitor viewing the experiment at the time smiled politely, expressing a bit of pity for the naivete of Faraday and scientists like him. He then commented: "It's a very nice invention, but what good is it? What practical benefit can it have for human society?"

We toured the vast workshops of the electricity department, speaking with its teachers and 59 students. They were spread out over all of its branches: the electric machines branch, the electric energy transmittal and distribution branch and others.

## The Chemical Industries Department: Arab Oil--Can It Fulfill Its Function Before It Is Depleted?

We moved from the electricity department to the chemical industries department, where petroleum and petrochemicals are studied. Both departments are concerned with energy, and both are a fundamental basis on which contemporary man's life rests. The difference is that petroleum is the strongest bond in our common Arab destiny.

We inquired about the department's curriculum and the nature of the study that goes on. The answer was:

"Speculation and branching out doesn't begin until the third study term. The first term is basic and required of all students in this department and in the production department. The second term is spent on science subjects like organic and regular chemistry, analytical physics, mathematics and English. When the third term begins, the students are divided into two groups. One group joins the petroleum industries branch, and the other joins the chemical industries branch. The students will continue in this division until the fourth study term. In the third term, the curriculum of the petroleum industries branch includes petroleum products, technology, combustion and erosion. In the fourth term, the curriculum includes petrochemical technology, petroleum recycling and experiments with petroleum products.

"The fifth term comprises training in the field. The students are required to complete 15 weeks in different petroleum companies to gain practical training. Their work schedules extend to 4 days a week, with another 2 days spent in the institute studying petrochemicals, precision and control."

Perhaps the question that crosses every Arab's mind is: Will Arab oil fulfill its historic mission before it runs out?



## In the Shadow of a Second Industrial Revolution

After that, we went to the electronics department, our last stop at the Kuwait Institute of Applied Technology. I don't know why I had such a feeling of relief when we visited the workshops of this department and its branches.

Perhaps the feeling stemmed from the electronics department, which signified that the second industrial revolution currently going on in the West is not going to take us unaware, as the first did. This time we are consciously seeking out this new revolution at the right time.

What I am referring to here is nothing other than the electronics revolution that swamped the West only a few years ago. It has reached its peak and is considered to be in a state of maturity after only a few years. By the 21st century, electronic systems may allow us to dispense with public libraries, encyclopedias and universities. They could secure for us medical benefits that we all desire--all of this while we sit at home. There is no telling the extent of change electronics will bring to man's life, all due to the first industrial revolution and the electronics revolution that was made possible by the former.

We proceeded to tour the electronics department and look at everything it provides its students in the three branches of telecommunications, control and electronics and the new branch that holds great importance in only one of the many application fields. I am referring to the field of biomedical systems, which needs no explanation.

As for the telecommunications branch, it includes all the various systems in use in telephone and central communications. This is in addition to broadcasting and television systems, including telegraph, reception and studio systems.

As for the control and electronics industries branch, it includes computers and electronic control systems in all of their various applied forms, including the robot, which is associated with the electronics branch in the minds of many. The robot is also associated with the electronics revolution, or the second industrial revolution mentioned above.

It remains to point to two other departments in the institute: the basic human sciences department and the department for student guidance. They are found in the remaining departments of the institute, the former in the curriculum and the latter in the institute's activities.

The Institute of Technology's Graduates: Who Are They and Where Are They?

They are the technicians the Institute of Technology equips to fill the middle work force. They enjoy various skills, such as systems operations and machine repair. They can discover defects and diagnose and repair breakdowns, as they will be doing in the middle work force. Their

qualifications are based on a theoretical, scientific foundation, on the one hand, and practical training in the field, on the other.

Opportunities for the institute's graduates are many and lucrative. They can continue their specialized studies in the universities. Or they can join a state ministry, where they will begin work at Grade 5. Or they can enter the private sector, where they can obtain monthly salaries ranging between 300 and 500 dinars and more.

9945

CSO: 4404/502

LEBANESE AMAL LEADER ON ISRAELI OCCUPATION OF SOUTH

GF121237 Doha QNA in Arabic 1140 GMT 12 Jul 82

[Text] Abu Dhabi, 12 Jul (QNA)--Nabih Birri, chairman of the Command Council of the Lebanese Shi'ite Amal Movement, has warned that if the Israelis do not withdraw from Lebanon plans will be upset. He said: Prolongating the Israeli occupation will turn the Lebanese citizen in the south into a "new Palestinian" to fight for the liberation of his land.

He said: We have lost one battle but we have not lost the war. Rescue is still possible through a unified Lebanese will under a legitimate government aided by international-European forces. He asserted that a solution must come from within Lebanon, not from outside. In this regard he rejected the proposal made by Lebanese leader Raymond Iddih, who is now in Paris, in which he called for the formation of a Lebanese government-in-exile.

In a statement in today's issue of the UAE newspaper AL-ITTIHAD he called on all Lebanese people to be cautious of Israel's plots aimed at sowing discord among them through various means including the claim to defend one sect against the other. He said: As Lebanese, we must have a united stand of compliance with legitimacy.

Birri said that the Amal Movement is ready to hand its arms to the Lebanese Government on the condition that all hand their arms at the same time, particularly the Lebanese Phalangist militia. He said the Lebanese army should be stationed in the eastern area as well as in the western area.

In his statement Birri called for the renewal of the term of Lebanese President Ilyas Sarkis until Israeli withdrawal from Lebanon is achieved. He said he rejects the election of a new president while the Ba'bada presidential palace is under occupation.

CSO: 4400/363

HADDAD DISCUSSES ADMINISTRATIVE AFFAIRS

NC101357 Marj 'Uyun Lebanon Voice of Hope in Arabic 1000 GMT 10 Jul 82

[Address by "Free Lebanon" Commander Maj Sa'd Haddad from the studio—live or recorded]

[Text] Brother Lebanese: I would like to speak to you about some administrative matters. First, I would like to announce to the displaced inhabitants of the town of al-Khiyam that they can return to their town under the conditions which I mentioned yesterday. On this occasion, I remind and warn them against being exploited and against resorting to mediators who cannot do anything. Some might try to make a profit out of this. Therefore, I tell you not to trust the mediation of anyone. All you have to do is to submit applications individually and in person. There are samples of these applications with Lt Rizqallah al-Fuhayli. Afterward, we will form a committee to consider them. I say this to spare you hardship and mistakes.

Second, I would like to draw attention to what I have already said about the mayors and mukhtars in free Lebanon--namely that each one of them knows the conditions of the inhabitants of his towns. These mayors and mukhtars must submit the names of those inhabitants who are in dire need of aid, explaining their conditions and needs, especially cases that require immediate aid. I am sure that there are many such cases. Therefore, each mayor or mukhtar eager about the welfare of the inhabitants of his town must properly look after their affairs and work to help them. For our part, we are ready to help according to our material resources, which are limited.

I also call on the mayors of towns in free Lebanon to double their efforts. I still see that some mayors are not doing any work while they are supposed to be doubling their efforts to serve the inhabitants and improve the lot of their towns. Any mayor who does not want to serve his town can step down and give others the chance to serve. I hope all mayors will understand the present situation and will work to rebuild their towns and bring the situation back to normal so as to instill confidence in the citizens. These mayors must remember that they have been elected by the citizens so that they may serve their country. They must not disappoint these citizens. All the civilian and noncivilian departments now have the opportunity to do their work freely, independently and without any pressure, as the situation

used to be. Therefore, these departments must benefit from these circumstances and start fruitful work, because they owe something to the citizens which they must pay.

I now want to speak about the army. I would like the army command (in al-Yarzah] to know that many military men of various ranks, numbering well over 2,000, want to join the Free Lebanese Army. I ask the command to facilitate this and to let these military men join. This is their right, because they have served in the past but have not been given the opportunity to serve their homeland or towns. They now have the opportunity to do so. Meanwhile, I tell the military men who want to join that they should not come to us asking to join before obtaining a memorandum transferring them to the Free Lebanese Army. These military men have brothers in the Free Lebanese Army who have remained loyal to the army and have carried out their national duties in the best way. Therefore, there is no harm if they join their brothers and become a guarantee for the Lebanon of the future.

Therefore, before coming to us, every military man must obtain an official memorandum from the command transferring him to the Free Lebanese Army. Then, we will welcome him. This is to prevent administrative mistakes.

Then, we have the housing problem. In the past, several houses in most towns of free Lebanon were empty, which prompted some families which had housing problems to move temporarily to these houses. Here, we remind all that we did not fight and lose men in order to seize the property or houses of others. No one has entertained this idea, and I know this. However, I know many families have made some repairs to these houses and have paid from their own pockets to repair them. The problem has arisen when some owners have returned to resettle in their houses. We have let many people return. The returning owner of the house and the current resident of the house must each understand the situation of the other. The current resident, undoubtedly, has a right since he has stood fast in this area, has fought and has protected this area. However, all this does not mean that he is entitled to own the house. No fighter has ever entertained the idea that he has fought for the sake of material things but for the sake of the homeland and the liberation and sovereignty of the homeland.

Therefore, I request the two sides to settle matters amicably. I also request the landlord not to press hard and say he wants his house immediately, because the resident must be given reasonable time to find another house. I want all issues to be settled amicably. Anyone who has paid from his own pocket must be compensated, and the house must be returned to the landlord.

If matters become complicated, something which I do not like, we will be compelled to form a committee to settle the differences. However, I am fully confident that all realize the importance of the situation and that they are prepared to sacrifice to settle matters amicably so that unity and amity may continue to prevail among all the sons of free Lebanon. The sons of free Lebanon, who in the past have taught us or given magnificent examples of sacrifice, today will not hesitate to give material aid for the

reconstruction of the towns and the homeland. I hope that all our minor problems will be solved so that no one will approach me about these matters, enabling us to give our attention to the fateful matters which concern all Lebanese and the Lebanese homeland as a whole.

Then we have the subject of the internal security forces, the Free Lebanon Army and the National Guard. I again draw attention to the fact--because I have already defined this policy--that neither the Free Lebanon Army nor the National Guard, which is being formed in the towns and the villages, will interfere in the internal security affairs. The internal security operations are entrusted entirely to the internal security forces. The gendarmerie, the police and the official civilian organs shall exercise their full powers freely, without any interference or pressures. I warn all members of the Free Lebanon Army and the National Guard that none of them has the right to interfere in internal security affairs or internal affairs. Anyone about whom a complaint is received in this regard will receive severe punishment coupled with the threat of expulsion from the Free Lebanon Army or the National Guard. I hope that everyone will understand his duties and work accordingly. We insist and emphasize that the legitimate government authorities will exercise their duties in full and freely so that the homeland's prestige, structure and pride will be restored. The citizen is longing for order, for a government and for government organs. We will not stand in the way of this; on the contrary, we encourage these organs to carry out their duties. There will be no excuse for any member of the internal security forces or others for failing to carry out their duties. We are here to reconstruct the structure of legitimacy and to stabilize it and not to destroy it. We have struggled for 7 years to reestablish real, free, independent and sovereign legitimacy. We will not permit anyone to encroach upon it.

I now address a few words to the swindlers [Palestinians] who are still resisting in western Beirut. I tell them to remember that Beirut is the capital of Lebanon and not the capital of Palestine and that they have no right to expose Beirut to destruction by their obduracy; to remember that all the Arab states want to get rid of them and want Israel to eliminate the remnants of the swindlers. Even Syria, which considers itself the head of the steadfastness, rejection and confrontation states, refuses to receive the swindlers. Why? Because it wants Israel to complete its strike and to finally eliminate them. The time has come for the swindlers to realize the truth, namely, that they are unwanted everywhere, in the Arab world and beyond. Lebanon and the Lebanese people have suffered a great deal. Even though Lebanon is not Arab, it has endured more than it can bear and more than what was required of it. If Lebanon is destroyed it would be because of the destructive actions of the swindlers. Let the swindlers follow reason and logic at least once; let them lay down arms; let them leave Lebanon for any other country and let them disperse and look for honorable employment for the rest of their lives. This is the best free advice I can give them. Enough of obduracy, because obduracy is useless but will lead to their elimination, although, between you and me, we are not sorry that they have been eliminated; but we are sorry for the destruction of the city of Beirut and the Lebanese who were killed there.

We are not sorry for you, because you gave us no opportunity to feel sorry for you as people and human beings and to deal with you as such. Therefore, I advise you to stop the resistance. If you cannot find a solution or a country where you can take refuge, you can surrender, and this would be more honorable to you. You can surrender to the Israeli Defense Army. This is much more honorable for you than adhering to your errors and transgressions. Believe me, nobody has advised you the way I am advising you. Even al-Qadhdhafi wanted to rush things and told you to commit suicide. He does not want to see you alive. He sent you a cable telling you to commit suicide.

We are not telling you to commit suicide. If you cannot find a country to host you, then you can surrender. Let it be known to you that all the Arab states want to get rid of you. They put you in Lebanon because, with their special conditions, they cannot strike you as King Husayn did in the past. They do not want to cause an uproar against themselves, and this is why they said: Let Israel strike them. They gathered you in Lebanon, knowing that this is what would happen to you.

Therefore, do not hold onto a straw and dream of impossible things. You have two options: you can leave Beirut alive, but without making any conditions, because you no longer have a future and you are finished. If you cannot find a country to host you, then you can surrender to the Israeli Defense Army. This army now has about 7,000 or 8,000 prisoners. It doesn't matter if this number is increased by 2,000 or 3,000, because the army will eventually release you, and you will still be alive and you will have maintained your dignity. This is better for you than seeking refuge with your enemies--the Arab states--who put you in your present position. The Arab states are your most bitter enemy. You believed that they were friends, but they turned out to be enemies.

When you fight somebody, you know that he is your enemy. What is dangerous is to believe that somebody is your friend when he actually is your enemy, stabbing you in the back. I hope that, although you might be at the point of death, you realize that none of the Arab states cares about you and that the self-styled progressive states and the rich oil states want to get rid of you. Therefore, heed this advice, which I give to you freely, for the sake of Lebanon, which has paid much for your sake, so that you may record one positive action--even if it is at the end of your life--and so that western Beirut and Lebanon may be saved. May free Lebanon live long, sovereign and independent.

CSO: 4400/363

# LITANI SAID TO BE GOAL OF ISRAELI INVASION

Riyadh AL-RIYAD in Arabic 16 Jun 82 supplement p 1

Text In a conversation between David Ben Gurion and Yigal Alon in February 1964, which was published in a Tel Aviv newspaper, the former said: "The boundaries of the Jewish state might have been farther north if Moshe Dayan had been chief of staff in the 1948 war." Alon, a commander for Northern Palestine in the Zionist movement, answered: "If Ben Gurion had not ordered a cease-fire, our forces would have been able to occupy the Litani River in the north and Sinai in the south."

It is clear then that seizure of the Litani River was (only) a question of time. The armistice and 1948 cease-fire played a role whose execution was (merely) postponed. It was actually a question of time...There's no doubt of that at all...We understand completely and more than at any time in the past that the operation of diverting and pumping the waters of the Litani to Northern Israel and Lake Tiberias and finally the Negeb will not be far distant after today, for all the evidence and all the indications point in this direction.

Since Israel withdrew from Sinai and returned it to Egypt, awareness of such an operation has created anxiety, fear, and confusion not only at the official Lebanese level but among the people in general, particularly in the South. The talk about Israel venturing to divert the waters of the Litani was virtually confirmed. This in fact goes back not only to its intentions and historic ambitions that we know about, but to its existing and open preparations in the region of the border strip recently and for some time. That is why it began not long ago to renew digging operations south of the Khardali bridge to install pumps on the Litani River to force the water into the occupied territories.

The Israeli plan, as has been constantly repeated, requires the installation of water pipes over the pumping pipes in the Syrian Golan Heights where the water will be diverted to the place prepared to receive it within Israel. We do not think these Israeli preparations or the steps taken to carry them out have introduced anything new into the picture. On the contrary, we confess, not without bitterness, that the preparations were added to what was done before along with the actions that followed what had been carried out in previous years. We do not remember, or some of us at least remember, what Levi



Eshkol told the French newspaper LE MONDE on the eve of the June war (Israel's thirst does not permit it to stand idle and watch the waters of the Litani River flow uselessly to the sea...And he confirmed that the canals in Israel are ready to receive the waters of this river). What leads us to take seriously what Israeli is doing is that the country will in fact experience, or at least thinks it will experience, a water crisis in the future. Israel has constantly demonstrated to the world, and not only to the Arabs, that it will not spare any effort or shrink from resorting to any means to obtain what it needs. Just imagine what this can mean when these needs are of the very essence of its strategy, involve its very survival, and constitute a basic factor in its expansion.

What impels us to take Israeli intentions very seriously is that Israel after existing for many years as a state on the land of Palestine has expended effort during this time that helped it achieve complete control of its water resources. It succeeded in exploiting more than 95 percent of its varied water resources except that up to 1978 it was unable to obtain more than 1728 million cubic meters of water, about 141 million cubic meters of it saline. Hence, we do not think it unlikely that Israel will seize the source of the Wazzani (one of the more important tributaries of the Litani) in 1980 which it wanted as a precautionary measure, especially since in 1978-1979 it faced one of the most dangerous droughts. Had it continued the following year, an economic disaster unparalleled in the history of Israel would have resulted. This led the newspaper DAVAR to say at that time that the solution to the problem is to draw water from the Litani or Nile. Moreover, it is worth noting, some studies estimate an Israeli water budget deficit of 415 to 510 million cubic meters will occur in 1985. The Israeli expert Yair Cutler admitted in an article in MA'ARIV through the water commissioner in Israel that Israel's need for water until the end of this century, i.e., until the year 2000, will require an increase of 700 million cubic meters over what it consumes at present. Furthermore, he did not expect he would be able to guarantee more than just 500 million cubic meters of this amount.

It is therefore clear to us that the water problem that Israel experiences from time to time is likely in the future to escalate to crisis proportions with increasing disparity between the quantities available and the quantities required to meet the multiple needs. An Arab engineer concluded in this connection that a rough comparison of the population growth rate in Israel with the growth of the water resources utilized there leads to an estimated annual average rate of individual water consumption of almost 500 m<sup>3</sup>. This means that every million increase in the number of Israeli inhabitants will need an increase in water resources of about 500 million m<sup>3</sup> of water, whereas Israeli estimates of the average annual rise in water consumption are 46.92 million m<sup>3</sup> a year, i.e., an average of 3 percent.

Moreover, for a long time Israel has persisted in inviting more Jewish immigrants to Palestine, for a long time it continued to increase the number of settlements, and its need for more agricultural land and manpower became apparent. Consequently, there has been a steadily increasing need for an abundance of water for domestic, agricultural, and industrial needs. According to the Israeli statistical bulletin for 1978, even in that year

agricultural production consumed most of the water available in Israel, i.e., at a rate of between 75 and 80 percent of the total consumption while domestic use varied from 15 to 18 percent and industrial production from only 4 to 6 percent of the total consumption. It is likewise clear to us that the increase in the quantities of water allocated for agricultural use was limited during the last 20 years to a little over 28 percent while the rate of increase in industrial consumption was 100 percent and in domestic consumption 85 percent. Since the Israelis were completely aware of these facts and took them into consideration from the beginning of the Zionist movement, the Lebanese Litani River was not far from their desires (even) for a day, from the time of Chaim Weizmann until today. Thomas Stauffer recently commented in the CHRISTIAN SCIENCE MONITOR: "The water which can be diverted to Israel from the Litani is set at 400 million cubic meters a year and more than 700 million cubic meters in case the Qar'awn dam is destroyed. And by drawing water from the Litani some 25 to 40 percent more will be added to Israeli water sources. It is a well-known fact that this river for which Israel yearns and desires to add to its resources is important because it is one of the major resources of Lebanon, for it is 180 km long and its basin covers an area of 2178 km<sup>2</sup>. The amount of water in the river basin is estimated to be about 700 million cubic meters. The basin also embraces extensive areas of the floodplains plus cultivated and arable lands. It plays a major role in the irrigation of agricultural land in the Biqa' valley, although most of the main irrigation projects in Lebanon, as some sources point out, are linked to the utilization of the Litani River waters, on the one hand, and to the reclamation of potentially arable land, on the other. Since this river is of economic importance, it surely means that it is relied on as a water source that Zionist expansionist strategy takes into account along with other Arab water sources. Otherwise, there would be no possibility of realizing the ambitions of the early leaders of the Zionist movement for bringing together the widely scattered Jews in Palestine and expanding their authority over its lands and exploiting them without sufficient quantities of water to irrigate them and exercise total control over the sources."

To learn more about the historic Zionist desire for this river, we go back to the contents of a letter sent by Chaim Weizmann in 1919 to Lloyd George, the British prime minister at that time. He set forth in the letter the demands of the Zionist movement regarding the northern boundaries of Jewish Palestine when he said: "The future of Palestine depends on its water resources for irrigation and for electric power. The water resources are to be obtained mainly from the slopes of Mt. Hermon and sources of the Jordan and Litani rivers."

Weizmann added: "For these reasons we believe that the northern boundary of Palestine must include the Litani valley up to an area of 25 miles above the southern slopes of Mt. Hermon to guarantee control over the sources of the Jordan River." He learned that if it weren't for the struggle that broke out during the peace conference at that time between Britain and France in their capacity as colonialists, nothing would have prevented the Litani valley from being included within the borders of Israel. However, the Israelis did not despair and they continued their efforts quietly and through projects which they submitted directly or through intermediaries who voiced their intentions in their behalf, e.g., Lowdermilk, Hayes, and Cotton.

However, the latter's plan, which was proposed in 1954, provided a special indication that confirms Israel's imperialist expansionist intentions. He included the Litani River in the plan. He also demanded that the waters of the upper Jordan and its tributaries be brought down to irrigate the Negeb. The author of the plan believed Arabs and Jews would jointly benefit from the regional use of the waters of the Jordan and Litani. The Cotton plan specified the areas to be irrigated as follows: Israel - 1,790,000 dunams, Lebanon - 350,000 dunams, Syria - 30,000 dunams, and Jordan - 430,000 dunams.

When the Israelis found their attempts and the attempts of their intermediaries to be futile, they adopted a new policy aimed at frustrating the Lebanese government when it tried in the 1950's to start projects for reclaiming and irrigating Lebanese lands by using the abundant water resources that God bestowed on Lebanon and setting up the Litani Authority with responsibility for the Litani project. This is the project the execution of whose various stages Israel tried from the beginning to block and apply pressure to delay the signing of the loan agreement between the Litani Authority and the International Bank for Reconstruction and Development. Israel concentrated on limiting the funding only to the western Biqa' irrigation project without irrigation of the South. At that time Moshe Dayan regarded the execution of the project by the Lebanese government as a declaration of war on Israel. Israel kept charging that Lebanon is not like Israel in having great need for such a large quantity of water and that Israel is prepared to pay financial compensation or provide Lebanon with electric power produced by the waters of the Litani if it agreed to the diversion of some of the waters to the Jordan basin. The fact is Lebanon was unable to obtain the necessary funding for the project, rather it did not dare to do so in all its stages, especially that concerning irrigation of the South, except for a single irrigation project, i.e., the Qasimiyah irrigation canal which serves an area of only about 10,000 dunams. Israel undertook to destroy this canal last summer by aerial bombardment because of its economic value not its military significance, according to a statement by the head of the Administrative Council of the Lebanese Authority.

We can ascertain from this the extent of the dangers confronting the river and the vicious ambitions and hostile intentions of the scheming Israelis toward all Arab water sources and Arab land. Israel's tendency to create more settlements in the West Bank and Golan Heights following its withdrawal from Sinai will increase its need for water. It will therefore find itself drawing and diverting whatever water it needs, without regard for international law or regional sovereignty in addition to maintaining direct and indirect control over the sources of this water in order to assure its continued influx. If abundant water means for Israel more guarantees of growth, expansion, and power in addition to economic relief in the face of this evident reality which unmasks Israeli intentions, we say Israel has begun to carry out the Litani Operation No 2. This is most likely so since it is no longer anything but a question of the appropriate time. Israel has already used up all justifications for starting to carry out the operation, to say nothing of the justifications it used up in past years for taking away what it regards as its share of the Litani waters. Let us be fully aware and understand that as far as Israeli is concerned, nothing is equal to yesterday's Sinai oil except more Arab water today...Litani River water.

PRAGUE TV INTERVIEWS LEBANESE CP OFFICIAL

LD092124 Prague Domestic Television Service in Czech and Slovak 1730 GMT  
9 Jul 82

[Interview with Nadim 'Abd al-Samad, member of the Political Bureau and secretary of the Lebanese Communist Party Central Committee, by unidentified Czechoslovak television correspondent; questions in Russian and answers in Arabic, both with superimposed Czech translation; time and place not given--recorded]

[Text] [Question] What is the United States trying to achieve through its plan to deploy its units in Beirut and Lebanon?

[Answer] I am of the opinion that the arrival of American ships at the Lebanese coast is an act of pressure on our country and yet another way of supporting the Israeli aggression against Lebanon. In this light we consider the presence of American units in our territorial waters to be an aggressive act against Lebanese sovereignty and demand the withdrawal of these units. Should American soldiers enter Lebanon we will consider them occupation forces which, with the approval of their government, are participating in aggression against our country. From the very beginning we have been proposing the separation [odpoutati] of Beirut to be secured by United Nations forces, by those which have been stationed in southern Lebanon for several years but which have played virtually no role since the beginning of the Israeli occupation. Therefore we demand: that the Sixth Fleet leave our coast. It is an aggressive force and cannot ensure the separation of the fighting forces; that UN international units enter Beirut; they should guarantee the cessation of hostilities.

If no solution is reached in this way we shall put up resistance to both the Israeli and American forces.

[Question] According to the U.S.-Israeli plan the Palestinians are to be evacuated. The question is where to? Where should they live? What should be their future according to the Americans and Tel Aviv?

[Answer] At the outset of the U.S.-Israeli plot the aggression did not aim only at driving the Palestinians away from Lebanon but at directly liquidating the PLO and as many Palestinian fighters in our country as possible.

But owing to the fact that even after the Israeli invasion the heroic resistance of the Palestinian and Lebanese people continued the Israelis are demanding the withdrawal of the Palestinians from Lebanon. Within this process the Americans are not interested in ensuring an existence as a nation for the Palestinians but in dispersing them in various parts of the world so that they are unable to continue the fight to achieve their legitimate rights to their own state in their own country. Israel and the United States would like to put an end to the existence of the Palestinians as a homogeneous nation with its own legitimate rights.

[Question] Before the Israeli aggression there were many varied political groups and streams in Lebanon. No doubt, during the aggression their views on the future of Lebanon as a sovereign state have crystallized. What is the influence of these groups and streams upon internal-political developments in the country at the moment?

[Answer] You are right, in Lebanon there are a number of forces but in fact they represent two political orientations: the Phalangists and the so-called Lebanese Front, and the National Patriotic Movement. The latter orientation, together with the PLO, represents a firm alliance putting up resistance to the Israeli aggression and the Camp David agreements. They are striving for a just peace in the Near East, a peace respecting Palestinian rights and ensuring the territorial integrity of Lebanon. On the other hand, the Phalangists and the so-called Lebanese Front are virtually in alliance with Israel and want to drive the Palestinians from our country by force. In this respect they also cooperate with all reactionary forces. Consequently there is also fighting between these two basic orientations in Lebanon. However we want to find shared peaceful foundations we can agree upon. In order to achieve this end we propose to these forces that we sign an agreement that would ensure the unity of Lebanon. We are convinced that the Patriotic Movement and the Communist Party of Lebanon must implement this policy; it is the only way for us to establish healthy foundations to solve the conflict in the Near [?East] in general. In this respect we fully share the aims of the policy of the socialist countries—as was confirmed during our talks with Comrade Vasil Bilak yesterday.

CSO: 4400/363

# MATERIAL COSTS OF INVASION CONSIDERED

Paris AL-MUSTAQBAL in Arabic No 279, 26 Jun 82 pp 41-42

Text To talk of the fate and future of the Lebanese economy after the Israeli invasion which began 6 June is difficult, if not impossible, as long as the end of the invasion is not yet clearly in sight and the political, economic, and human results have not reached their limit. Concern over the fate of the Lebanese economy is part of the fate of Lebanon (land and people) which teeters between withdrawal of the occupation army in exchange for difficult political conditions and non-withdrawal. If the fate of the economy cannot be predicted nor its features determined as of now, what is the current reality of the economy and can this reality be depicted?

There's no doubt the Lebanese economy reality is fluctuating and changing daily for the worst as long as the Israeli war machine keeps wreaking ruin and destruction with no regard for human lives, not to mention public and private property. Even the writing of these lines can give the following basic picture, a picture painted more in generalities than in numbers.

Lebanon, after the Israeli invasion of the South and the provinces of al-Shuf and 'Alay and part of the provinces of Ba'abda and Matn, not to mention the closing in on the capital...this Lebanon is a network of junctions and arteries whose parts would be isolated from one another were it not for the surviving telephone connections and the good roads traveled over which is considered a kind of adventure not to mention being stopped by one group or another.

Economic activity ceased the first day of the invasion in all sectors and services. Activities were restricted both inside and outside the occupied regions. Activity likewise ceased in most of the essential public services.

As for the infrastructure, it appears that a large part of the Lebanese economic framework has been completely or partly destroyed. Beirut airport is still closed; it became for a few days the scene of violent clashes between Israeli and joint (Arab) forces that resulted in the destruction of a large part of the runways and some of the buildings, especially the building of the civilian aviation safety center, in addition to the burning of 3 planes of the Middle East Airline. Regrettably, the losses at the airport are likely to mount. It is feared that it will extend to the installations themselves.

As for Beirut harbor, the losses are much smaller than those suffered in past years because the harbor is completely shut down owing to the Israeli sea blockade, which forced the ships anchored there to leave. Even the writing of these lines is affected by the total blockade of the Lebanese coastline. It prevents passenger ships from sailing from Juniyah to Larnaca, just as it prevented a ship carrying 25 million liters of gasoline and other ships from entering the port of Dawrah north of Beirut harbor.

What has been said of Beirut harbor applies to the other harbors, including Sidon and Tyre which suffered direct damage as did the infrastructure. Also worth mentioning is the network of roads that suffered enormous damage, especially the coastal road running from Sidon through the Khaldi-Damur super-highway, which was opened several months ago. Also damaged was the Dahr al-Baydar road between Beirut and Damascus at Mudiraj hamlet. This road is the main artery for exports to the Arab countries. The network of secondary roads in the provinces of the South and the Biqa' and some roads in al-Jabal region were also severely damaged.

As for electric power, a vital necessity for the infrastructure, Lebanon lost more than a third of it after the bombing of the Jayyah al-Harari factory and 100 factories on the Litani. When these factories were not damaged directly, their machines required basic repairs, to say nothing of the obsolete pumping equipment. What made things worse were the restrictions on use as a result of which all of Lebanon was subjected to an electricity rationing system for an average of 18 hours a day. This has greatly hampered industrial production.

As for energy, we do not as yet know of any great damage done to the Mudriku refinery in al-Zuhrani, which refines crude oil for local consumption. Also affecting the infrastructure is the damage done to the telephone communications network as a result of both the bombardment to which it was subjected and the interruption of electric current.

The fact is the damage done to the infrastructure is direct and extensive. There is also the indirect damage that will be felt in other sectors that make up the nerves of this infrastructure.

In addition to the infrastructure, the damage done to the production sectors, direct and indirect, is great. As for industry, the factories extending from al-Na'imah south of Beirut to al-Hadath, a Beirut suburb, are totally paralyzed. This region contains 300 factories--large, medium-sized, and small. Production has ceased entirely in these factories and there is no hope of its resumption in the near future. Then too there is the enormous damage suffered by a number of these factories. Their chronic problems have now worsened alarmingly. Export appears to be impossible at the present time and production too either because of the currency, interruption of electric current, or scarcity of raw materials and impossibility of importing them.

One can imagine the magnitude of the industrial sector's problems in the foreseeable future from the problems that it has experienced since 1977. The



sector is weighed down by financial burdens impossible to relieve by ordinary methods. It has a pressing need for easily available financial assistance without which there will apparently be a number of bankruptcies.

In the area of trade, foreign trade will remain at a standstill as long as the Beirut harbor and airport are shut down. Trade will also remain inactive because the main artery connecting Beirut and the Arab countries is blocked. Domestic trade is now limited to foodstuffs, which are continuing to diminish. Everything else is stagnant or not in demand.

As for the banking sector, it remains, as usual, able to function within reasonable limits. The basic services are still maintained and liquidity is guaranteed all depositors of all banks. As a matter of fact, withdrawals are normal due both to complete confidence in the banking sector and to precautionary measures, including the maintenance of large quantities of cash at home. If the direct losses of the banking sector are limited, then their losses will be subject to the situation which is affected by alternative sectors of production.

As for agriculture, the current picture suggests that a large part of the production threatens to rot if the regions (of the country) are blocked off from one another. Agricultural output in the South, the Biqa', and the North cannot be easily transported to the centers of consumption in the cities, making the fruit harvest suitable for export.

The Lebanese economy seems to have come to an almost total standstill owing to the occupation which has cut ties between the regions and separated them. It is now difficult to estimate the direct damage to either public or private property because such estimates require effort and time. However, the first estimates indicate that the losses caused by the invasion are in the billions (of dollars), an amount greater than those suffered by the Lebanese economy during the years of the last war. Whereas the irrigation and colonization project originated by the Council for Development and Colonization in 1979 established Lebanon's needs for about \$20 billion, this need has now doubled for both infrastructure and production projects, to say nothing of the housing crisis aggravated by the destruction of thousands of homes.

An economist points out that the material losses suffered by the installations, infrastructure, and productive capacity during the war in Lebanon are double those incurred by all the other Arab states in their wars with Israel, even counting Egyptian losses of revenue from the Suez Canal and several million tons of oil that the Israelis obtained from the Sinai wells. This estimate includes the loss of development for (the last) 8 years and for the coming years. However great the economic losses may be, they pale into insignificance compared with the human losses, for the dead and wounded number in the thousands. These too are insignificant compared with the destruction of the homeland.

Will this Lebanese darkness ever end? And will the dawn of sovereignty and independence shine among the heaps (of ruins) and through the innocent victims who fell?



RELATIONSHIP OF TERRORISM TO REVOLUTION DISCUSSED

Rabat L'OPINION in French 2 Jun 82 pp 1, 3

[Article by Jean Rous: "Terrorism and Despair"]

[Text] France is witnessing an increase in terrorism at a time when it appears to have been declining in Italy following the breaking up of the Red Brigades. This increase coincides with a growth by at least a third in delinquency in all its forms, although the "security and liberty law" has been in effect for a year.

The French Government is debating the best means to assure security. However, viewing terrorism strictly from its political aspect, it is assuming more and more the appearance of a form of despair, like the failure of a shortcut to avoid the longer and more difficult strategy of a revolution.

This was the analysis Lenin expressed in condemning terrorism after the execution of his brother for an attack on a Czarist official and for founding Russian social-democracy.

However, history teaches that it has never taught anyone anything, and with every major crisis the same tragedy begins again. The crippling of the Red Brigades, in which it was terrorists themselves who helped the police in their task, shows the degree of demoralization which a revolutionary aspiration based on such a superficial strategy can lead to.

Of course, this is an individual type of terrorism based on the action of small groups separate from the mass of people, and not the revolutionary violence which occurs when two opposing camps come to grips in a civil war or a liberation war.

During the great French revolution, the term "terror" was used in a sense which has since then been distorted. Trotsky himself wrote a work "Terrorism and Communism" during the civil war which gave rise to considerable confusion. Yet he himself on various occasions expressed his opposition to individual terrorism.

I remember his explaining to me in 1935 that the attack on Kirov, Stalin's right-hand man, had only been a provocation to prepare for Stalin's mass terror, which swept over Russia and caused millions of victims, including hundreds of thousands of communists.

Krushchev confirmed this version of events in his famous report of 1956.

In my biography of Trotsky (Editions Martinsart), I try to give an explanation of this matter of revolutionary violence. Trotsky, who founded the Red Army and won the civil war, explained that "revolution does not logically imply terrorism, just as it does not imply insurrection."

He even adds: "If our November revolution had taken place a few months after seizure of power by the proletariat in Germany, France, and England, there is no doubt that ours would have been the most peaceful, the least bloody of possible revolutions."

However, we know what happened. Instead of being helped along the path of socialist democracy, Russia was surrounded by advanced democratic countries. This colossal historical mistiming was the origin of Stalin's later barbarity, a development which Lenin and Trotsky had feared even in 1922-1923.

Reading the interview and article of Berlinguer and the Italian communists, it is evident that they also are preoccupied with this issue, though after some delay in getting round to it. They are right to go back to the sources.

It is also under discussion in France, and even, a few evenings ago on television, among veteran communists who had lived through the experiences of Hungary, Czechoslovakia, and Poland.

One can put the same question by quoting Racine's verse: "How did pure gold turn into lead?"

That is a matter of political alchemy and we cannot be satisfied with superficial analyses. Every revolution has in it the seed of reaction, just as reaction contains the seed of revolution. It is up to men to control events in order to create their own history within the given circumstances.

The more that reason, education, conscience, and democratic government prevail, the less barbarism and blind violence will have opportunities to hold sway. Revolution is also a product of reason, of human construction, and not an eruption or a suppression. Terrorism and leftism are shortcuts which lead only to disillusion and despair. At least we must seriously derive the lessons, and they can be the apprenticeship for a renewal.

9920

CSO: 6133/2300

OMAN

BRIEFS

OIL PRODUCTION--Muscat, 13 Jul (QNA)--Oman's oil production during june was 10,080,196 barrels, an increase of about 4 percent compared with production during June 1981. The Sultanate's oil production during the first quarter of the current year has been 29.8 million barrels. Average daily oil production in the Sultanate is 320,000 barrels. [GF131915 Doha QNA in Arabic 1840 GMT 13 Jul 82]

CSO: 4400/368

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

PDRY LEADER DISCUSSES LEBANON--Brother 'Ali Nasir Muhammad, secretary general of the YSP Central Committee, chairman of the Supreme People's Assembly Presidium and of the Council of Ministers, received Comrade Vladislav Zhukov, Soviet ambassador to Aden, in his office at noon today. Developments in Lebanon, the continuing Zionist criminal aggression against the Lebanese and Palestinian peoples and the siege of Beirut, were discussed at the meeting. Views were also exchanged on the dangers of new American moves in the Middle East region, including the Zionist-American intention to establish U.S. forces in Lebanon to complete the Zionist invasion of Lebanon. [Text] [EA071648 Aden Domestic Service in Arabic 1230 GMT 7 Jul 82]

CUBAN HEALTH MINISTER ARRIVES--Comrade Sergio del Valle Jimenez, member of the Cuban Communist Party Political Bureau and minister of health in the socialist Republic of Cuba, arrived in Aden this morning for a visit to the PDRY which will last several days. The Cuban minister of health told ADEN NEWS AGENCY that the aim of his visit is to attend the first graduation ceremony at the medical college and acquaint himself with the achievements of the Yemeni people at all levels. He praised the firm relations that exist between the two friendly countries and said he was happy to be visiting Democratic Yemen. [EA070522 Aden Domestic Service in Arabic 1230 GMT 6 Jul 82]

CSO: 4400/362

SAUDI DAILY QUESTIONS U.S. MOVE TO EVACUATE PALESTINIANS

PM131545 Riyadh AL-JAZIRAH in Arabic 9 Jul 82 p 3

[Editorial: "Where Will the Sixty Fleet Take the Palestinians?"]

[Excerpts] All political and military developments related to the Arab-Israeli conflict in the Middle East confirm beyond any doubt that the United States, with all its power and weight as a superpower, wants what Israel wants, nothing else. It does not care whether Israel is justified or whether what Israel is doing is right or wrong. It does not care in the least about what the Arabs want.

The U.S. alignment with Israel is most evident in the current crisis resulting from Israel's armed invasion of Lebanon. Everything the United States has done in this crisis has demonstrated absolute U.S. support for the objectives of the armed Israeli invasion of Lebanon, especially the liquidation of the Palestinian resistance.

U.S. partiality to Israel means that the United States is not trustworthy as a mediator. The U.S. offer to evacuate the Palestinians from Lebanon aboard sixth fleet ships, without naming a destination, gives rise to strong doubts making one wonder if there was a prior undeclared U.S.-Israeli plot to throw the Palestinians, dead or alive, in the Mediterranean or in the ocean. Otherwise the United States would have said where the sixth fleet would take the Palestinians, or it would have said that this is up to the Palestinians themselves and that it would definitely protect them from Israeli pursuit. This is assuming that the sixth fleet marines would not themselves be Israelis or Zionists who sympathize with Israel and who, on behalf of Israel, would do the job of liquidating the Palestinians and their political and military commands, in a bloody way.

We address one question to the United States. Is the United States prepared to evacuate the Palestinians, all the Palestinians, from Lebanon, take them to their homeland Palestine, or to the West Bank and the Gaza Strip, provide protection for them against the Israeli occupation forces, and guarantee their right to self-determination on their own soil and their right to an independent state there?

Palestine is the only destination acceptable to the Palestinians if they are to move out of Lebanon. Does the United States have the same conviction, and is it prepared to take the Palestinians there from Lebanon and guarantee their protection against Israeli treachery, if need be with the participation of other international sides in the responsibility of protecting them?

We doubt that the United States would want to do any of these things or would be prepared to accept them if proposed by others. This is because it has aligned itself completely with Israel, the aggressor, and is helping it with all its power and influence to achieve all the objectives of the invasion of Lebanon. This is making the Arabs increasingly distrustful of the United States and its current efforts in Lebanon. This feeling will continue unless there is a tangible change in the U.S. attitude in favor of the Lebanese and the Palestinians, a change that would restore Arab confidence in it and in the possibility of cooperation with it, in view of its power and weight, to promote a just solution that would, above all, end the Israeli occupation of Lebanon and allow the Lebanese and the Palestinians to regulate their relations in Lebanon and abroad.

CSO: 4400/368

SAMA REPORT EXAMINES 1980-81 ECONOMIC DEVELOPMENTS

Beirut AL-IQTISAD WA AL-A'MAL in Arabic No 38, May 82 pp 46-47

[Article: "1980-81 Saudi Economy in 'SAMA' Annual Report; Growth Rate Is 12 Percent; Oil Revenues Increased 19.8 Percent and Government Spending Increased 27 Percent; Cement: Three New Plants, Self-Sufficiency and Surplus for Export in Coming Phase; Continued Trend Toward Decreasing Rent Due to Completion of More Housing Projects; Agriculture: Project Growth and Considerable Development in Dairy and Poultry Sector"]

[Text] The 20th annual report of SAMA [Saudi Arabian Monetary Agency] indicates clearly that the Saudi economy is entering the third development plan while utilizing a normal work apparatus and enjoying high growth rates that are, at the same time, regular and free of the fluctuations recorded during the second plan.

Following is a review of the most important results recorded in the SAMA report, which is considered one of the most significant periodic analytical reports on Saudi economic developments.

At the beginning of last April, SAMA issued its 20th annual report on the indicators and tendencies of the Saudi economic and monetary situation in the fiscal year from 1 July 1980 to 30 June 1981. This is the first year of the third development plan. It is clear from the report that during the past fiscal year, the Saudi economy achieved the growth rates expected in the plan (12 percent), thus maintaining its high growth rates and the development trends recorded in the 2 preceding years. This growth rate is attributed primarily to the continued growth of government spending, to the completion and operation of modern infrastructures and to the elimination of problems previously involving the flow of goods and services. The report points out that the average growth in the added value of the private non-oil sector is estimated at 13 percent. This high rate is considered one of the healthy symptoms of the Saudi economy and is compatible with the policy adopted by the government to encourage and strengthen the private sector's activity. The report also points out that government spending increased by 26 percent, reaching 236,600,000,000 riyals, following an increase of 27 percent in the preceding year. The report further demonstrates that the government has paid great attention to projects to develop and diversify the production sector and to provide educational and health facilities and services and make them available to all citizens. This is in addition to the government housing projects, expansion of the public utilities and municipal services and the improvement of living conditions in urban and rural areas.

## Oil (Production and Revenue Development)

The report points out that the kingdom's average daily oil production in 1981 amounted to 9.82 million barrels daily, slightly below 1980 average production, which was 9.9 million barrels daily. The report notes that as of the beginning of November 1981, the government reduced its production to 8.5 million barrels daily out of its desire to strengthen the OPEC position in the world oil markets. Revenues from 1981 oil exports are estimated at \$101,200,000,000, an increase of 19.8 percent over the preceding year's revenues, which were \$84.5 billion.

The report also notes that in 1981, the crude oil pipeline (Petroline) extending westward was completed with an initial capacity of 1.85 million barrels daily. This line, along with the liquefied natural gas (ethane) pipeline, will carry crude oil and gas from the production fields in the eastern province to Yanbu' on the Red Sea for export and to supply the quantities needed for the two oil refineries currently under construction and to the petrochemical industries complex to be built by SABIC.

## Monetary and Banking Situation

The report also notes that the means of payment registered a growth rate of 20.4 percent in the year 1400-1401 of the Hegira, i.e., a slight increase over the rate recorded in the 2 preceding years. Deposits rose by 29.2 percent to constitute 70.1 percent of the means of payment. The relative share of the currency in circulation has declined steadily throughout the past decade, thus indicating an increase in the use of bank checks.

The number of bank branch offices rose to 315, increasing by 175 branches and offices during the past 2.5 years. Saudization of foreign banks, the training programs organized by the agency and by the commercial banks and the flexible importation of foreign labor have played a significant role in this development.

The report demonstrates that the revenues of the private non-oil sector registered an increase of 21 percent in the year 1400-1401 of the Hegira to reach 101,600,000,000 riyals, i.e., an actual growth rate of 11 percent.

## Total of 337 New Industrial Establishments

The report notes that nearly 337 new industrial establishments with a declared capital of nearly 7.6 billion riyals started production in the year 1400 of the Hegira. This number constitutes more than 25 percent of the total number of industrial establishments operating in the kingdom--1,200. Thus, industrial expansion is registering tangible progress and this progress is expected to continue as a result of the incentives and material and moral support given by the government and as a result of the strong competition in the commerce sector and the decline of profits in the real estate sector. The total sum of the loans that the Saudi Industrial Development Fund pledged to advance by the end of fiscal 1400-1401 of the Hegira amounted to nearly 8.1 billion riyals, of which 1.3 billion were pledged by the fund in 1400-1401 of the Hegira. There is also a plan to enlarge the industrial zones in



Riyadh, Jiddah, al-Dammam and al-Hafuf, in addition to the construction of new industrial areas in Mecca, Medina and Khamis Mushayt to prevent the concentration of industry in the major cities.

The report points out that the kingdom's cement industry has undergone significant expansion throughout the past decade in response to the increasing needs of the contracting, building and construction sector. In 1401 of the Hegira, three new plants began production to bring the total annual capacity of this industry to nearly 6.8 million tons annually. On completion of two more plants in 1402 of the Hegira, the kingdom's cement production capacity will exceed 8.8 million tons annually. There is a plan to build three more plants, which will achieve self-sufficiency for the country, in addition to some surplus for exportation. SABIC [Saudi Arabian Basic Industries Company] is primarily in charge of developing the kingdom's heavy industries. The company recently concluded 10 agreements for the construction of joint projects with foreign firms in the fields of petrochemical, mineral and cement industries. SABIC's projects will rely on the use of the ethane and methane produced by the kingdom's gas-gathering plant as a basic fuel and [raw material] supply. The plan behind the two industrial cities in al-Jubayl and Yanbu' is not confined to SABIC's projects alone but also calls for bolstering a large number of conversion industries owned by the private sector, service projects and the four new oil refining complexes.

#### Ports and Communication

Regarding ports and airports, the report notes that the number of operational piers in the kingdom's major ports has reached 101 and it expected to rise to 124 on completion of the expansion projects. In April 1981, the first phase of King 'Abd al-'Aziz Airport in Jiddah was opened and work is in progress to complete the King Khalid International Airport in Riyadh on schedule, before the end of 1983.

The report notes that the number of telephone lines has increased by 56 percent, to nearly 433,000 lines. This number is expected to total nearly 1.2 million by the end of the third plan. The number of telex lines has risen to 10,186 and is expected to reach 30,000 by the end of the third plan. The mail system has also been developed and modernized and the postal services have achieved great development compared with the past few years.

The report states that the total length of the roads constructed during 1400-1401 of the Hegira amounted to 916 kilometers of paved roads and 4,400 kilometers of agricultural [dirt] roads, thus bringing the total length of paved and agricultural roads to nearly 51,000 kilometers.

#### Housing Projects

In the sphere of housing and construction development, the report notes that the government is building housing projects and encouraging the private sector to build housing through land grants and interest-free loans. The Real Estate Development Fund has, since its foundation, advanced more than

200,000 interest-free long-term loans, valued at nearly 41.5 billion riyals, for the construction of private housing. The fund has also advanced medium-range investment loans valued at 1.6 billion riyals for the construction of rental buildings. Thus, the housing crisis--one of the significant crises in the recent past--has been overcome and housing rents have dropped considerably. It is expected that this decline will continue with completion of the private housing projects currently under construction and distribution of the units built by the government. The report adds that completion of the housing projects and the accompanying construction developments, represented by the availability of municipal utilities and services--including water, electricity, telephones, roads, bridges, tunnels, sewerage networks, markets and public parks--have helped eliminate the difficulties faced by the country at the outset of the second plan.

#### Agricultural Developments

In agriculture, the report notes that expansion in the infrastructure and the incentives and facilities offered by the government have had a major impact on encouraging the private sector to invest enormous sums in various agricultural spheres. Consequently, the private sector's added value to the kingdom's gross national product increased at a compounded annual rate of 5.4 percent during the second plan compared with a rate of 3.6 percent during the first plan. This sector's performance during the third plan is expected to surpass its accomplishments in the preceding years. The volume of agricultural production, including grains, vegetables and fruits, has increased considerably. The performance has been especially encouraging in dairy and poultry production. Local egg production now meets more than three quarters of the country's needs. Local chicken production meets nearly one-fifth the local consumption. Milk production has increased nearly fourfold over the past 3 years and is expected to double on completion of the projects currently under construction.

In water desalination, the report notes that 15 water desalination projects have been completed in eight cities and are producing nearly 47 million gallons of fresh water daily and 330 megawatts of accompanying electric power. Seven other projects, with a capacity of 331 million gallons of water daily and 2,500 megawatts of electricity, are currently under construction. The problem of water shortage from which the country suffered in the past has actually been eliminated, thanks to these and other water projects in the cities and to completion of the water distribution networks.

8494

CSO: 4404/485

BRIEFS

U.S.-PLO DIALOGUE--Riyadh, 9 Jul (SPA)--Al-Madinah stressed that it is high time that the United States shoulders its responsibility as a major power to halt, even just a little, the Zionist hegemony, not just for the sake of rendering a service to the Arabs, but for the sake of its interests in the region. The paper called on the American Government to deal directly with the PLO, the sole legitimate representative of the Palestinian people, particularly since the United States had dealings in the past with liberation movements including the enemies and opponents of America. Al-Madinah wondered why the American envoy, Philip Habib, does not sit down with Yasir 'Arafat, chairman of the PLO, and discuss with him the future of the Palestinian resistance in Lebanon, instead of detours and evasions or resorting to a third party. It said it is a disgrace to America, which claims to be the symbol of freedom and the chief protector of human rights in the world, that man and his rights are being destroyed in Lebanon with American weapons, with the blessing of the Washington government and with the direct supervision of its envoy Philip Habib. [Text] [LD091110 Riyadh SPA in Arabic 0605 GMT 9 Jul 82]

SAUDI FUND ACTIVITIES--Jidda, 14 July (KUNA)--Since its formation in 1974, the Saudi fund for industrial development provided loans totalling over eight thousand million riyals, a press report said yesterday. The funds were utilized in financing 58 Saudi industrial projects in addition to a five million riyal loan for improving the kingdom's electricity network, the fund's annual report added. According to the report, the Saudi fund will provide additional loans for financing 73 new projects. [Text] [GF151116 Kuwait Arab TIMES in English 15 Jul 82]

CSO: 4400/368

NEW REGIONAL GOVERNORS APPOINTED

Khartoum SUNA in English No 4162, 20 Jun 82 pp 1, 2

[Text] Khartoum, June 20 (SUNA)--The former governors of the five regions were yesterday re-appointed to their posts by President Nimeri after having won the confidence of the joint meeting of the regional assemblies and SSU regional congresses.

In a short address to the nation in which he declared the appoints President Nimeri said the most sought after consolidation of democratic cornerstones based on popular participation in power sharing has been achieved with effort and sweat and with extreme patience since the outbreak of the May Revolution.

The President said the effort was continuing more intensively in the direction of devolution of all authority to the masses.

The most important achievement in this connection, he continued, has been the constitutional amendment and inclusion of principles dealing with regional government.

This was followed by the practical step of appointing the care-taker regional governors, the drafting of legislations and the setting up of regional governments for the transitional period prior to the selection of governors in accordance with the general approach adopted during the joint meetings, the President said.

"Regional government is the only way and the correct approach to the rightful exercise of democracy and it is all the more so because nomination to governor posts proved the peoples adherence to the democratic approach," Nimeri said.

He said the appointment of the governors was based on the regional government act for 1980 and which provides for the selection of one out of three candidates who have won the confidence of each region's masses to take up the mandate of region governor. "These nominations were put under strict scrutiny and the President of the Republic never exercises personal preference but he makes the choices after close examination and consideration with a view to realizing to the people's aspirations in all regions," the President concluded.

The following were appointed as governors of the regions:

1. Dr Abdalla Ahmed Abdalla [Dr 'Abdallah Ahmad 'Abdallah], Northern Region.
2. Sayed Abdel Rahim Mohmoud [Sayyid 'Abd-al-Rahim Mahmud], Central Region.
3. Sayed Al Fateh M.B. Bishara [Sayyid al-Fatih M.B. Bishara], Kordofan Region.
4. Sayed Hamid Ali Shash [Sayyid Hamid 'Ali Shash], Eastern Region.
5. Sayed Ahmed Ibrahim Draig [Sayyid Ahmad Ibrahim Draig], Darfur Region.

The swearing ceremony of the new regional governors before the President of the Republic has been set for early July, SUNA learnt.

CSO: 4500/229

DARFUR AGRICULTURAL, ANIMAL PRODUCTION PROGRAM DISCUSSED

Khartoum AL-SAHFAH in Arabic 12 May 82 p 6

[Article by Thurayya Muhammad Ahmad Bakhit: "Ministry of Agriculture's Preparations for New Season; Comprehensive Plan Devotes Attention to Livestock Production in Darfur"]

[Text] We dealt briefly in the last issue with the program of the Ministry of Agriculture and Natural Resources for Darfur Province--a program containing complete plans for the various departments. Today, we will deal with the second part of this program or report concerning the other part of the conventional sector, namely the animal resources, in the 1982-83 agricultural season.

Veterinary Care

The report begins with the preparations necessary for veterinary care in north and south Darfur. Appropriations amounting to nearly 27,000 pounds have been allocated to secure medicines and vaccines to inoculate nearly one half million heads of livestock in the north and 400,000 heads in the south against epidemic diseases during the fall. Nearly 17 vaccination teams will carry out the inoculation process in South Darfur alone. Agreement has been reached with the (Savannah) Project to transport the vaccines to the province.

At the outset of the dry season, there will be 11 mobile teams to inoculate nearly 600,000 heads of livestock.

The program does not overlook the difficult circumstances under which livestock breeders live as a result of the drought and of the desertification caused by the successive migrations from the north to the south.

Expansion of Poultry Farms

In the sphere of animal production, the ministry's plan for the next season seeks to expand the chicken farms in each of al-Fashir and Nyala so that al-Fashir farm may have a capacity of 6,000 chickens and the Nyala farm a capacity of 10,000 chickens.

The measures necessary for this purpose have already been taken.

Earlier, the costs for the Nyala chicken farm expansion, estimated at 65,000 pounds, were approved in the local development budget.

Measures have also been taken to carry out maintenance work and to reoperate the chicken farms in al-Junaynah and Zalingei and to set up new chicken farms in Buram and al-Du'ayn.

#### Dairy Farms

Even though Darfur Province is considered one of Sudan's richest provinces with all kinds of livestock, the towns still suffer from a shortage of milk and dairy products. The Ministry of Agriculture has drawn up a well-studied and detailed plan to set up a dairy farm in al-Fashir at an estimated cost of 40,000 pounds. Work will also continue to complete the Nyala dairy farm with the appropriations allocated for this farm and to enlarge the cattle herd in this farm. Cows have already been imported from Ghazalat Jawazat.

#### Al-Fashir Leather Storehouse

The report also deals with the issue of repairing and reoperating al-Fashir tannery in order to produce high-quality leather in bigger quantities both for exportation. The report also deals with providing advice and exercising control over the leather production areas. But the report fails to deal with developing the Nyala tannery and preparing it for the next season, despite the support it needs. With little effort, the tannery's production can meet the local market needs and provide a surplus for exportation to the outside world to bolster the province's economy. This is in addition to improving the horse breeds.

#### Study and Research Centers

In view of the importance of scientific research and studies to the agriculture and livestock sector, the plan of the Ministry of Agriculture devotes attention to this aspect by bolstering the part concerning the West Sudan Research [Center] which conducts studies on Darfur. The center is also concerned with research on integration between plant and livestock production and on the utilization of water and land. This is in addition to the modest efforts exerted by the Ghazalat Jawazat Research Station which operate side by side with the West Sudan Research Station.

A plan has been drawn up to build the offices and laboratories and to supply the furniture and equipment needed for the purpose so that these research stations may perform their full role in the sphere of integration between livestock and plant production.

This is in addition to the proposed station in al-Fashir.

#### Livestock Marketing Organization

The provincial Ministry of Agriculture views the Public Livestock Marketing Organization (the Nyala Province Bureau) with extreme interest and exerts efforts to bolster this organization as a result of the considerable efforts

which the organization exerts to dispose of the surplus livestock annually so as to relieve the pressure on the grazing lands which have been declining constantly in recent years. This is in addition to the organization's other marketing and research efforts and its efforts to establish a balance between local and external needs.

#### Grazing Activity

In the sphere of pasture lands and fodder, the 1982-83 report sets up programs for each of the province's governorates. In North Darfur, certain areas will be cultivated with fodder crops through the use of sprinkler irrigation. These crops will be cultivated in Saq al-Na'am and Bishariyah next July and the program will continue until [next] January, after securing the vehicles and fuel necessary for the purpose.

There is also a proposal to set up offices next September in each of Barakah, Sayirah Bari, Saraq 'Amrah, al-Surayf, al-Junaynah and al-Tinah and a branch office in al-Lu'ayt.

This is in addition to the summer activity.

In South Darfur, work will continue to build the network of lines to protect the pastures from seasonal fires and to dig fire protection lines in the eastern, southern and southwestern areas and in Wadi Salih area.

#### Fodder, Pasture Improvement

Regarding improvement of the pasture lands in Nairobi and Dalal-al-'Anqarah, five fenced feddans have been prepared in Tirtati to conduct a study on seed acclimatization and 58 feddans of clay lands have been prepared for the production of fodder with rainwater irrigation.

It has also been decided to enlarge the acreage cultivated in the area of Dalal al-'Anqarah and Turnay and to exert efforts to cultivate areas of land around the town of Nyala to raise fodder production. As for studies, the program proposes setting up plant nurseries near the main office and the branch offices to acclimatize imported plants, in addition to bolstering the offices of the Pasture lands and Fodder Directorate in all parts of the province.

#### Forests

The Darfur forests have continued to be subjected to haphazardly tree cutting. Large areas have been fenced and this has created a major danger to the elimination of tree cover [sic].

The 1982-83 agricultural season report has reviewed the efforts of the Forests Directorate to conduct experiments on cypress and (darnel) trees with the aim of supplying soft and hard wood for the province and for exportation. The program defines what the Forests Directorate needs to conduct statistical surveys on the wood wealth in the province and to draw up a complete plan to utilize this wealth, to revitalize the savannah belt and to plan farms and to



turn their ownership to the producers of Arabic gum, in addition to setting up an information unit to enlighten the citizens to the importance of trees and to the necessity of preserving them.

#### Development of Umm Dafuq

The report also deals with the importance of the Soil Preservation Directorate and of utilizing the land in south and north Darfur. The report stresses the need to pay attention to the studies on nomads and exert constant efforts to enhance their means of living so as to avert tribal conflicts. The report also focuses on the (sprinkling irrigation projects) currently existing in Hulm al-Widyan, Qubbat Musaddi and Abu Dulayq in North Darfur. The report further focuses on the importance of conducting water analyses to determine the fitness of water for human or animal consumption. There is a proposal to build a laboratory in North Darfur at a cost of 50,000 pounds to conduct these analyses.

In South Darfur, the Soil Preservation Directorate will continue its efforts to implement the project to develop the village of Umm Dafuq by drilling wells for it, setting up dairy and cheese processing plants and planting orchards at a cost of (50,000 pounds). This is in addition to supplying the other essential needs of the area's inhabitants and to conducting studies on projects, such as studies on the Nyala Valley Floods, a study on the project to develop peanut cultivation in Umm Dafuq and a study on processing (tomato) paste, sauce and juice in Jabal Marrah, along with continuing implementation of the project for land reclamation in (Tamsiko).

#### Protection of Game Animals

Regarding wildlife protection, the program notes the importance of setting up offices in Kabkaniyah, Fort Barrango, Kutum and Karnawi to protect game animals in North Darfur and to protect livestock from predators, to regulate hunting licenses and to educate the public as to the importance of preserving wildlife.

In South Darfur, the program for the coming 1982-83 season provides for opening the roads to the national Radom (wildlife preserve) which has become a joint area between Darfur and the Southern Province and for setting up camps in each of Radom and Kafia Kingi, in addition to carrying out maintenance work on the old buildings in Radom and increasing the number of wild animal cages in Nyala [zoo].

The report proposes supplying Radom preserve and the directorate headquarters in Nyala with communication equipment and enlarging the force working in this directorate to increase the number of inspection campaigns carried out in the markets and on vehicles.

Finally, this is a brief review of the second and third parts of the program of the Ministry of Agriculture for the 1982-83 agricultural season. In fact, preparations have been started in all the units and many of the provisions contained in this program, especially provisions concerning the agricultural sector, have been already implemented.

God willing, a conference will be held on the 20th of this month of May for the livestock production directorates in Nyala to discuss the livestock sector needs in the coming season and to discuss the means of coordination between the animal and plant sector to receive the new season. We will shed light on this conference at a future time.

8494

CSO: 4504/318

## BRIEFS

LIVESTOCK EXPORTS--Khartoum, June 19 (SUNA)--Livestock exports for 1981/82 brought in a revenue of \$81 million compared with \$65 million for the previous fiscal year, SUNA learnt. An official source in the Public Corporation for livestock and meat Marketing attributed the increase to the well organized export of livestock to Saudi Arabia, Sudan's largest market. The increase was also due to the rise in international prices, added the source. The Corporation was working in coordination with the security authorities to combat livestock smuggling across the Red Sea, the source continued. Such smuggling constituted an obstacle to increasing the value of exports and was a waste of national resources, he added. [Text] [Khartoum SUNA in English No 4161, 19 Jun 82 p 2]

FAMILY STATISTICS--Khartoum, June 18 (SUNA)--The Department of Statistics has prepared a study on the size, budget and annual consumption of the family. The average size of the Sudanese family is six persons and its average annual income ranges between 1500 and 2000 Sudanese pounds, Al-Fatih Obid Allah [Al-Fatih 'Ubaydallah], the Director of Family budget section at the department said. He added that 55 percent of the family income is spent on food and drink, 20 percent on housing, 22 percent on health services, education and transportation, and 3 percent on clothing. Obeid Allah ['Ubaydallah] said the study will not be confined to the families of the capital but will also include all regions of the country. The study is expected to be published after about a month. [Text] [Khartoum SUNA in English No 4161, 19 Jun 82 p 4]

CSO: 4500/229

CHAMBER OF COMMERCE OFFICIAL COMMENTS ON INVESTMENT CLIMATE

Beirut AL-IQTISAD WA AL-A'MAL in Arabic No 38, May 82 p 49

[Interview with 'Abd al-Rahman al-'Attar, Secretary of the Damascus Chamber of Commerce by AL-IQTISAD WA AL-A'MAL: "Union of Syrian Chambers of Commerce and Role of Private Sector; Given Facts Are Positive for Investment in Syria; What Is Required Is To Create Proper Climate"; date and place not specified]

[Text] AL-IQTISAD WA AL-A'MAL interviewed 'Abd al-Rahman al-'Attar, secretary of the Damascus Chamber of Commerce and of the General Union of Syrian Chambers of Commerce, and reviewed with him the conditions of the Syrian private sector and the discussions he is holding with concerned officials to improve these conditions and enable this sector to hold its position within the framework of the national economy and general development. The interview also dealt with the available spheres of investment in Syria and with the need to create the proper climate to attract Arab investments, especially to the agricultural, industrial and tourism sectors.

The following is the result of the interview:

Regarding the activity being carried out by the Union of the Syrian Chambers of Commerce, al-'Attar said: "The union has been developed and it now has a semiperiodic publication that covers the activities of all of the country's chambers. Many internal affairs have also been organized. At another level, the union is exerting concerted efforts with the officials concerned to define the private sector's role in the development process, keeping in mind that the state is trying to streamline commerce toward industrialization. Syrian investors have the desire and the conviction to set up new industries. But there are some obstacles that must be overcome, including the pressure on commodity prices, the failure to permit the acquisition of concessions for international trademarks and the unavailability of adequate facilities for the importation of machinery and raw materials."

Other fundamental obstacles, says al-'Attar include the rise in various costs. The prices of raw materials rise 20-25 percent [annually]. Skilled labor is scarce and expensive and so are the prices of services.

There is also the problem of the unavailability of lands set aside for industrial purposes and supplied with all the means and infrastructure. This forces industrialists to commit violations by setting up industries on lands not

designated for the purpose. We have broached this problem with the officials concerned at numerous meetings. They have expressed understanding and promised to deal with the problem, to exert ceaseless efforts to set aside the needed industrial zones and to reconsider the credit facilities for industrial installations.

#### Experiment of Joint Companies

Answering a question on the outcome of the experiment on the establishment of joint public-private sector companies, al-'Attar said: "The initial results cannot be considered successful. These companies have faced difficulties that have curtailed their effectiveness, such as the difficulties of redtape and of not being given the freedom to select their elements and their workers. This must be examined and dealt with. In any case, this issue is the subject of evaluation and reconsideration with the officials concerned."

On the experiment of establishing joint and bilateral Arab companies in Syria, such as the Syrian-Libyan Company, the Syiran-Saudi Industrial and Agricultural Investment Company, the Arab Livestock Development Company and others, al-'Attar said: "These companies so far have not been able to implement noteworthy projects commensurate with the volume of their capital and the tasks entrusted to them. It is not as important to have available capital as it is to employ this capital. These companies have not presented to the Syrian private sector any projects that promise to attract this sector and make it participate."

#### Investment Climate Needed

The secretary of the Union of Syrian Chambers of Commerce was asked: How do you explain the success of some bilateral companies, in Tunisia for example, and the failure of such companies to realize an adequate degree of success in Syria and in other Arab countries? He answered: "There is no doubt that the issue is primarily one of climate. What is needed is to create the climate conducive to the launching of economic activity of an individual, bilateral or joint character. The success achieved in Tunisia, for example, must act as an incentive for similar successes in other countries. In any case, the viewpoint of the Arab investors is clear in this regard and has been further crystallized in the first conference of Arab businessmen and investors. Those wishing to attract Arab investments and to utilize the opportunities available in this sphere must deal with the existing obstacles."

Al-'Attar also discussed areas for available investment in Syria, observing that they are numerous and diverse, especially in the agricultural sector. He also said: "Syria has completed most of the infrastructures, its geographic location helps and there are vast areas near the Euphrates Dam that have not been reclaimed yet and to which Arab investments can be attracted."

#### Hotels at Reasonable Prices

Regarding investment in tourism, al-'Attar, who is the association of chairman of Syrian travel and tourism agencies, said that at the latest meeting of the association's general council under the chairmanship of Dr Nuris al-Diqr,

minister of tourism, the actual condition of the tourism industry was reviewed. The Higher Tourism Council has asserted that the role of the tourist agencies is not confined to simply (serving) tourists but also to attracting large numbers of tourists. The minister has promised to facilitate the task of the agencies (entry visas, for example).

Al-'Attar added that Syria lacks tourist hotels with reasonable rates for the middle classes and that the role of the ministry is to secure land for the construction of such hotels and to provide them with the necessary services. Then comes the investors' role.

In conclusion, al-'Attar said that positive elements are present in Syria and they all encourage investment but that the issue requires a climate. This is what we must create through cooperation between the public and private sectors.

8494

CSO: 4404/488

SYRIAN PAPER CALLS FOR MORE STEADFASTNESS

JN130906 Damascus Domestic Service in Arabic 0650 GMT 13 Jul 82

[From the press review]

[Text] AL-BA'TH says: To understand matters, we must discuss in detail the different activities taking place in Lebanon. The intensified political contacts and news agency reports on Israeli threats to invade west Beirut with the support of the Reagan administration, explained that if any of the proposed solutions is implemented, this would constitute a conspiracy, with all its ramifications and short- and long-term dangers.

When the collaborators felt that matters were proceeding contrary to their wishes, they began to intensify their activities. On the military level, the Zionist enemy escalated its military operations in a savage manner against Beirut and its suburbs. This was accompanied by an acceleration of political activities. The enemy's Foreign Ministry director went to east Beirut, where Sharon and his chief of staff Eytan were meeting with U.S. envoy Philip Habib, leaders of the Phalangist gangs and other Lebanese political figures.

The visit of Usamah al-Baz, Husni Mubarak's envoy to King Husayn, together with all these military and political activities have one aim; namely, the eviction of the fighters from Lebanon, because the continued presence of the fighters in Lebanon explodes the collaborators' dreams. It will also be a pan-Arab victory and a defeat for all agent and defeatist regimes.

What is required is more steadfastness, which will kill Israel, since the enemy has always declared that any war with the Arabs must not take more than a week.

CSO: 4400/363

DISTURBANCES IN AL-HAOUAREB EXAMINED

Tunis AL-RA'Y in Arabic 4 Jun 82 p 2

[Text] Last weekend the area of al-Haouareb in the governorate of al-Qayrawan witnessed serious incidents, the details of which we recount as follows:

The roots of the problem date back more than a year, when the authorities decided, because of the Marq al-Layl Dam construction, to relocate the weekly market in al-Haouareb to either the village of Funduq al-Wasif in which this market was previously held or the village of al-Karmah. This matter engendered fierce competition between the citizens of the two villages because of the importance of the market from a commercial standpoint, and the material advantages and benefits it affords the people of the area in which it is held, especially since the area is suffering from wretched poverty. After the circulation of rumors to the effect that the regional authority chose the area of al-Karmah as a place to hold this market, the inhabitants of the village of Funduq al-Wasif decided to hold another weekly market in their town. The local authorities regarded this [decision] as a "violation of the law" and intervened to prevent them from meeting and holding this market, which was a reason for some of the fights between citizens and members of the National Guard.

On the following day, the situation became more tense in the village of Suq [sic] al-Wasif, especially after the clashes which occurred yesterday and the acts of violence engaged in by the security men which the citizens witnessed. So it happened that the village witnessed other violent clashes which prompted some youths to engage in "destructive activities" with the incidence of serious casualties in the ranks of both sides (the security men and citizens) and the death of a citizen called Khemais Diouani who succumbed to his wounds after he was fired upon by one of the National Guardsmen whom he had attacked with a razor.

Observations:

The deteriorating economic and social situation has a lot to do with what happened, and this prompts us to seriously examine the deprivation and oppression experienced by the people of these areas and to desist from presenting a false picture as portrayed by the regional officials and some of the media (especially the rural development program) of this tragic incident.



This area is even experiencing a drinking water crisis.

The outbreak of serious acts of violence was as follows:

A member of the National Guard destroyed all of the merchandise of a citizen which was displayed on a stand. So this citizen became very angry, took a razor and stabbed the guard, who took out his revolver and emptied it (according to some stories) into the citizen who had attacked him. This citizen breathed his last immediately upon entering the hospital. Since that time the market has become a fierce battleground between the protestors and citizens--who were many in number--and the security men who sustained serious bodily injuries. The battle did not subside until after the arrival of reinforcements.

Among the indirect reasons for the explosion of popular anger is the transfer of the al-Haouareb reformatory to another location on land belonging to the National Land Office where citizens reside. These citizens had already opposed the transfer of the reformatory and the authorities complied with their wishes. However, they were ultimately taken by surprise with the attempt to begin construction of the new reformatory, which aroused the anger of the citizens.

CSO: 4504/399

END